

Sustainable Cities
for a Sustainable Earth!



MITSUBISHI ESTATE GROUP
Sustainability Report
2022



Contents

Click on the title to access the corresponding page

Mitsubishi Estate Group Sustainability Report 2022

Editorial Policy	03			
Messages	05		Message from the President 06 Messages from the Director Responsible for Sustainability and an Outside Director 11	
Sustainability Management	16		Corporate Philosophy and Sustainability Vision 17 Value Creation Model 20 Sustainability Promotion System 21 Participation in Global Initiatives 26 Stakeholder Engagement 31 External Evaluations of ESG Performance 38 Mitsubishi Estate Group ESG-Related Rules and Policies 40	
Mitsubishi Estate Group 2030 Goals for SDGs	43	Key Theme 1: Environment	47	Reducing GHG Emissions and Promoting Utilization of Renewable Energy 50 Reducing Waste and Increasing Recycling Rate 55 Making Use of Japan-grown Timber to Promote Sustainable Use of Forest Resources 60
		Key Theme 2: Diversity & Inclusion	63	Initiatives to Support Active Participation by Diverse People 65 Initiatives to Address Globalization 69 Action on Human Rights and Supply Chain 71 Creating Workplaces with Diversity 75
		Key Theme 3: Innovation	78	Operating Incubation Offices 80 Using Cutting-Edge Technology and Robots 84 Creating Innovation through Collaborations and Alliances 88
		Key Theme 4: Resilience	94	Establishment of Disaster Preparedness and Mitigation Framework 96 Initiatives to Enhance Disaster Preparedness in Buildings 105
Sustainability Activities (ESG)	109	Environment	109	Policies and Targets 110 Promotion System 114 Information Disclosure Based on TCFD Recommendations 116 Climate Change Strategies 120 List of Buildings Introducing Renewable Energy 144 Reducing Waste and Preventing Pollution 153 Conserving Water Resources 163 Preserving Biodiversity 167 Promoting Sustainable Use of Wood 176 Promoting Acquisition of Sustainability Certifications 182 Adopting Sustainable Finance 190
		Social	201	Promoting Diversity 202 Creating Environment and Programs Conducive to Open Innovation 207 Human Resource Development 214 Human Rights Initiatives 219 Supply Chain Management 226 Employment and Labor Relations 231 Occupational Health and Safety / Health Management 232 Enhancing Customer Satisfaction 239 Social Contribution Activities / Support for Communities 243
		Governance	260	Corporate Governance <input type="checkbox"/> 261 Compliance 261 Risk Management 278 Tax Transparency 288
		ESG Data	291	E: Environmental data 292 S: Social data 304 G: Governance data 314
		Independent Third-Party Assurance Report	319	
INDEX (GRI•SASB•TCFD, etc.)	320	ESG Content Index 321 GRI Standards Content Index 324 Information Disclosure in Accordance with the SASB Standards 340 Information Disclosure Based on TCFD Recommendations 116		



EDITORIAL POLICY

Editorial Policy

The Mitsubishi Estate Group publishes the Sustainability Website and the Sustainability Report as a means of informing stakeholders of Group efforts to realize a sustainable world.

In the fiscal 2022 report, the Group provides information on advancements in the Group's initiatives under the four key themes of the Mitsubishi Estate Group 2030 Goals for SDGs set forth as part of the Long-Term Management Plan 2030 aimed at achieving the Mitsubishi Estate Group Sustainability Vision 2050, a vision of the Group's future through 2050. The report on the Group's sustainability activities is organized under the environmental, social and governance (ESG) criteria to disclose policies, activity results and other details. Numerical data related to these activities has been aggregated in the ESG Data, including data from past years.

Reporting Structure

The Sustainability Website is designed to provide a full range of information regarding the Group's sustainability activities, including detailed numerical data, utilizing the advantages that the website offers, with care taken to reflect most updated information in a timely manner.

Starting in fiscal 2021, a PDF edition of the report with an enhanced search functionality is available to provide a handy access to information disclosed on the website.

We invited you to review the Group's Integrated Report also for its medium- to long-term initiatives to enhance corporate value including sustainability. Details regarding the company profile and performance can be found on the Mitsubishi Estate website.

[Integrated Report](#)



[IR Information](#)



[Corporate Data](#)





Scope

- Mitsubishi Estate Co., Ltd.
- 60 Group companies (49 in Japan and 11 overseas) that share the Mitsubishi Estate Group Code of Conduct in principle

Note: The ESG Data sets out the scope of each data respectively.

List of organizations covered (PDF 111KB)

PDF

Period

In this report, "fiscal 2021" refers to the period from April 1, 2021 to March 31, 2022, and other fiscal years are referred to in a corresponding manner. The report covers fiscal 2021, but also includes information pertaining to other fiscal years.

Reference Guidelines

Global Reporting Initiative (GRI) Standards

ISO 26000: Guidance on social responsibility

Environmental Reporting Guidelines (2018 edition), Ministry of the Environment, Japan

SASB Standards, Sustainability Accounting Standards Board

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MESSAGES



**Message from
the President**

Junichi Yoshida
President & Chief Executive
Officer
Mitsubishi Estate Co., Ltd.

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Atsushi Nakajima
Executive Vice President
Mitsubishi Estate Co., Ltd.

**Message from the Director
Responsible for Sustainability**

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Masaaki Shirakawa
Outside Director
Mitsubishi Estate Co., Ltd.

Outside Director's Message

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Message from the President

Sharing our values and love for people, the city,
and the Earth, we aim to become a company
growing in tandem with society

Junichi Yoshida

President & Chief Executive Officer
Mitsubishi Estate Co., Ltd



A time that requires the creation of new value to prepare for life after the pandemic

Since January 2020, COVID-19 has spread across the world, bringing about major changes in people's lives and values as well as the economy. Looking back, Japan was in the process of developing into a tourism powerhouse, with the annual number of international visitors exceeding 30 million, and it was in such an environment that the COVID-19 pandemic cast a sudden shadow over society. The Mitsubishi Estate Group's business also suffered a significant hit, including a decline in sales of the retail facility, hotels, and airport businesses.

The pandemic has also accelerated workstyle reform while the digitization of society progressed rapidly to prevent the spread of infection. Given the more widespread adoption of flexible workstyles, such as telecommuting and flextime, there are evident changes in what the office means to us. Now that it is possible to work from home or another location, the value that can be only gained by coming into the office is under the spotlight. What is wanted from an office in these new workstyles varies from company to company and individual to individual. It could be generating ideas through spontaneous communication, deepening of team collaboration, or a role as a showroom or space to relax in.

Now that society has started moving toward a post-pandemic period after more than two years, the Mitsubishi Estate Group is required to provide value that differs from that provided in the past in light of changes in people's needs. The key is to have a perspective of responding flexibly to the individual purposes of the people using a building or visiting a neighborhood. The Tokiwabashi Tower, the first of our projects in the TOKYO TORCH District (Tokyo Station Tokiwabashi Project) being developed in front of the Nihombashi Exit of Tokyo Station and completed in June 2021, is an example of meeting the challenge to create diverse functions by seeking a new ideal for the office and utilizing outdoor and other spaces. It provides a variety of spaces and mechanisms for enriching the workstyles of workers.

Since February 2022, the world has been shaken by Russia's invasion of Ukraine. Amid mounting skepticism about globalization, which had progressed based on liberalism and capitalism, this event is having an immeasurable impact on the international political situation and the global economy. Precisely because of these uncertain conditions, companies are being increasingly called upon to pursue sustainable management based on unwavering values and purposes.



Nurturing a sustainable city based on diverse collaboration



The Mitsubishi Estate Group formulated its ten-year Long-Term Management Plan 2030 in 2020 to develop policies that will provide stakeholders with value from a longer-term perspective. Under our conventional three-year plans, it was a challenge to provide a long-term direction for the future. The Group's business involves many long-term projects, and we need parameters that look ahead to a vision of the city even a hundred years into the future. In the Marunouchi area (the Otemachi, Marunouchi and Yurakucho districts) which forms the foundation of the Mitsubishi Estate Group, the TOKYO TORCH project currently underway will be completed in fiscal 2027, and a long-term strategy that spans ten years is also essential for considering the future of the area.

In the long-term management plan, we set out "Marunouchi NEXT Stage," an urban development program in the Marunouchi area from 2020 onward. Based on the theme of "Marunouchi Re-Design," a variety of challenges that exceeded our initial expectations have been met in implementing urban development that leads to improvements in quality of life (QOL) for individuals and the discovery and solution of social issues, giving rise to positive developments.

One of these efforts is using art being promoted in the Yurakucho area. Mitsubishi Estate has always considered art to be one of the values of the city as seen in the art exhibitions of the Marunouchi Street Gallery and the operation of Mitsubishi Ichigokan Museum, Tokyo. In fiscal 2019, we launched Micro STARS Dev., which aims to encourage the cultivation and success of creative talent and provide exposure for the next generation of great artists. We will develop Yurakucho into a city where people and ideas are further refined with the aim of turning it into a city with artists rather than simply a city with artworks. We will contribute to creating innovation by developing a mechanism that enables business people to gain new inspiration by coming into contact with entertainment and the creative activities of artists.

In the area around Tokyo Station, which can be described as the gateway to Japan, we place importance on creating opportunities to convey the attractions of regions from across Japan. In December 2021, in collaboration with Nakagawa Masashichi Shoten, we launched "Another Japan," a project in which students from various prefectures are put in charge of managing a store that carries a selection of local products to provide publicity for their hometowns. The project aims to uncover the diverse values of each region's lifestyle and culture and increase the opportunities for visiting those areas.

We aim for urban development that will nurture the city in collaboration with a variety of people cooperating with each other. We launched OMY SDGs ACT5 in 2020 based on this concept, and have implemented SDGs-related activities in collaboration with companies and groups from within and outside the Marunouchi area while building partnerships with many others. Although recognition of the word SDGs has increased recently, there are many people who do not know specifically what they themselves can do. We will encourage the people who gather, work, and live in the neighborhood to take action that contributes naturally to the SDGs through our programs. As a city changes form like a living organism through the actions of people, we believe the question of how to make that living organism sustainable is an important one.



Addressing the global issues beyond our own business

Under the long-term management plan, we have formulated the Mitsubishi Estate Group 2030 Goals for the SDGs, which set Environment, Diversity & Inclusion, Innovation, and Resilience as the four key themes for 2030 as well as KPIs and action plans on these issues, to strengthen the Group's ESG initiatives.

In the area of decarbonization, we significantly revised our previous greenhouse gas (GHG) emission reduction targets and set new targets in March 2022. We have stated that we will achieve net zero in 2050 based on the Net-Zero Standard announced in 2021 by the SBTi*1, and we obtained certification from the SBTi in June 2022. In terms of specific initiatives, we are promoting the introduction of electricity derived from renewable energy to reduce Scope 2 emissions (indirect CO₂ emissions from the use of purchased electricity, heat, steam, and hot and cold water, etc.) As the percentage of renewable power is expected to be approximately 30% in fiscal 2021 and nearly 50% in fiscal 2022, we are aiming to achieve RE100*2 in fiscal 2025 under our new targets. Switching entire buildings over to renewable power is a positive initiative in the achievement of RE100, not only for the Mitsubishi Estate Group but also for tenants, and we must ensure its promotion. Meanwhile, addressing Scope 3 (direct CO₂ emissions related to our own business activities) is the most difficult area, but we need to have a firm focus on reductions throughout the supply chain. We will lead Japan's overall trend in aiming for carbon neutrality in 2050 to steadily promote the reductions we can make while involving other parties around us in the process.

With the completion of its plant in Yusui, Kagoshima Prefecture at MEC Industry, the Group's comprehensive wood business, the company has established a system that handles everything from procurement of raw timber, sawing and processing into timber products through to sales, starting full-scale operation in June 2022. By expanding the use of Japan-grown timber as an architectural material, we hope to reduce CO₂ emissions through carbon fixing. Promoting the circulation of Japan's artificial forests which will soon be ideally suited for harvesting will also help ensure groundwater recharge and prevent damage from landslides.

In the area of reducing waste, we have been taking steps toward reducing emissions and increasing the waste recycling rate to 100% in the Marunouchi area since April 2022 under the "Circular Marunouchi" initiative. In the "Marunouchi to Go Project" implemented as the first part of the initiative, we are promoting reductions in food loss by distributing containers and paper bags free-of-charge to enable takeaways of leftovers in cooperation with restaurants in the Marunouchi area. It can be said that being in the real estate business necessarily involves an impact on the global environment and, as such, we have a responsibility to reduce this impact as much as possible. The business of Mitsubishi Estate can never be sustainable without adopting this premise.



The trend of mass production and mass disposal as seen in Japan during the era of high economic growth is still seen in many parts of the world. We believe it is necessary for Mitsubishi Estate to develop mechanisms that lead to impact reduction, such as local production for local consumption and reuse of resources, and to implement these mechanisms in each region through our business activities. Activities within the Mitsubishi Estate Group alone are insufficient to truly tackle environmental issues, so the key is how far beyond the Group we can go to address issues on a global scale.

*1 Science Based Targets initiative (SBTi): An initiative to promote the setting of science-based emissions reduction targets toward the goal of limiting the average increase in global temperatures to 1.5°C above pre-industrial levels.

*2 RE100: RE100 is a collaborative initiative under which corporations commit to switching to 100% renewable energy for the electricity they use in their business. By bringing together these companies, the initiative aims to send policymakers and investors a message from consumers to further accelerate the energy transition. In Japan, the Japan Climate Leaders' Partnership (JCLP) is the official local partner of RE100 and provides support for the participation and activities of Japanese companies.



Utilizing diverse human resources to build a strong organization

In April 2022, we reviewed our approach and initiatives on supply chain management and made progress in terms of establishing the Mitsubishi Estate Group Supplier Code of Conduct. Under the Code of Conduct, we have specified details on items with an awareness of global standards, including compliance with laws and regulations, respect for human rights, environmental conservation, and reduction of environmental impact, in the form of items we ask our suppliers to comply with and expectations. We also implement individual interviews and onsite inspections to ensure sincere efforts by suppliers and plan to implement surveys that go as far as secondary and tertiary suppliers. A partnership approach is essential to help realize the sustainable and truly meaningful society that the Mitsubishi Estate Group is aiming for and seek understanding for a broad range of social issues and values. In addition, to eliminate violation of human rights and environmental destruction from the world, it is not enough for our own supply chain only to problem-free, we must also cooperate and align with other developers.

Within the Group, it is becoming increasingly important to build an environment that enables diverse human resources to thrive and succeed. As one way of promoting diversity, Mitsubishi Estate revised its targets for the ratio of female managers in fiscal 2021, and set targets of over 20% by fiscal 2030, 30% by fiscal 2040, and 40% by fiscal 2050. We will set goals for our vision for the future as well as milestones while accelerating our efforts to achieve our goals as quickly as possible.

Meanwhile, we feel we have been making steady progress toward achieving diversity with little disparity between men and women in the number of new graduate hires at the Group in recent years in addition to an increase in the ratio of non-Japanese employees. However, so long as the seniority system and the Japanese mindset of the past centered on men remain, it will not be possible for everyone to thrive and succeed. To foster a corporate culture of mutual respect regardless of gender, age, nationality, and other factors, it is necessary to clearly communicate that the company places importance on it and to ensure that everyone can truly realize it.

A diversity of opinions is also essential. A vibrant workplace is one in which employees can express their opinions clearly even to their superiors. In Japan, it has long been necessary to read the atmosphere, and subordinates and younger employees tended to avoid speaking freely. However, if everyone expresses their thoughts freely and there is vigorous dialogue, it is sure to strengthen our organization as previously unnoticed viewpoints are shared. Psychological safety is the foundation for promoting a diversity of opinions. We believe that superiors need to consciously focus on building relationships that allow subordinates to be comfortable about expressing their opinions and measures that include training and personnel evaluations should be considered for achieving this.

Becoming a corporate group that is trusted by stakeholders

The strength of the Mitsubishi Estate Group lies in our approach to creating better products and services by engaging sincerely with a variety of people and organizations to build win-win relationships. As a corporate group that is trusted and supported, it is most important that our stakeholders feel that Mitsubishi Estate is definitely the company they want to work and cooperate with.

The Company took a serious and humble view of past misconduct. All of our officers and employees recognized the need for a transformation into a truly trustworthy company and have made repeated efforts for reform. The Mitsubishi Estate of today has been built on these efforts. A company in a good relationship with society at large grows together with society, and it is not the interests of a few people or the company that are important. We believe that the essence of what is important lies in the perspective of transparent and fair governance, which is essential for a company.





As our business has been built with the support of local communities and the natural environment, a commitment to giving back is also essential. As set out in our Mitsubishi Estate Group Sustainability Vision 2050, “Be the Ecosystem Engineers,” over the long run, our goal continues to be providing the ecosystem where diverse individuals and corporations with different perspectives are able to coexist sustainably and thrive together. We will share values with the diverse people we interact with while having a love for people, a love for the city, and a love for the Earth to steadily move forward as a corporate group that grows in partnership with society.

President & Chief Executive Officer

Mitsubishi Estate Co., Ltd

Junichi Yoshida

(As of October 7, 2022)



Message from the Director Responsible for Sustainability

Atsushi Nakajima

Executive Vice President

Mitsubishi Estate Co., Ltd.

Tackling and contributing to solving issues facing society

In addition to environmental issues represented by climate change, and social issues such as human rights, a succession of new challenges are emerging far beyond our expectations, including the prolonged impact of COVID-19 and the escalation of conflict and tension within the international community, particularly the war in Ukraine. Under these circumstances, in order to contribute to the realization of a sustainable society while engaging in our corporate activities, we must constantly monitor trends from a variety of perspectives and identify accurate information to thoroughly consider our best options. Only after such careful consideration can we then explore the direction the Group should take based on dialogue with stakeholders.

In the area of climate change, the Japanese government declared in October 2020 that Japan would realize carbon neutrality by 2050. Furthermore, in conjunction with the climate change summit in April 2021, the government announced that it would raise its greenhouse gas (GHG) reduction targets for 2030. In October 2021, the Science Based Targets initiative (SBTi) published the Net-Zero Standard, and discussions on coordination of international policy and development of rules are expected to accelerate in the future. It is expected of corporations that they promote a virtuous cycle between economy and the environment to drive the creation of a sustainable society. Today, working to enhance corporate value and social value is an integrated effort.

Working to be the “Ecosystem Engineers”

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Sustainability Vision 2050, “Be the Ecosystem Engineers,” as our vision for 2050. We have been promoting urban development in a variety of locations, principally the Marunouchi area (the Otemachi, Marunouchi, Yurakucho districts), for over 130 years. Urban development involves working in partnership with various stakeholders to nurture the city together. It also involves engaging the broader community to accomplish things that cannot be achieved by an individual or a single company. Our mission in urban development has been to constantly provide society with new value by considering local communities and the natural environment, responding to the diverse social issues and changes in the times, and designing plans based on a forward-looking perspective.

As the Ecosystem Engineers, the Mitsubishi Estate Group provides the spaces and infrastructure (ecosystems) in which diverse individuals and corporations are able to coexist sustainably and thrive together economically, environmentally, and socially. We believe doing this creates new value and innovation which leads to the development of our goal: a sustainable city and society.

We formulated the Mitsubishi Estate Group 2030 Goals for SDGs (“the 2030 Goals”) under the Long-Term Management Plan 2030 to serve as milestones for achieving this vision. Under this management plan, we have set out a strategy to increase both social and shareholder value as a means to achieve the Group mission and sustainable growth, with “Sustainability: Provision of solutions to contemporary social issues” as a key driver for providing value through our business activities. We have set out the four key themes — environment, diversity and inclusion, innovation, and resilience — underscoring the 2030 Goals based on the seven material issues we established in fiscal 2018, and articulated specific action plans and targets for each theme.



As the Director responsible for Sustainability, I lead the Sustainability Management and Promotion Department in the planning and drafting of measures related to sustainability targets across the Group. We formulate measures following deliberations and reports at the Sustainability Committee, which is chaired by the President of Mitsubishi Estate. In addition, the Group has incorporated its annual targets and initiatives related to the four key themes of the 2030 Goals into annual plans for each business or functional group since fiscal 2020. Achieving the targets in these annual plans is included as one of the qualitative evaluation criteria for officer remuneration. The Sustainability Committee reports on the progress of the KPIs in the 2030 Goals and deliberates on the establishment of new targets and revisions. The details of the meetings of the Sustainability Committee are also reported to the Board of Directors, providing a system of oversight.

Initiatives toward the Mitsubishi Estate Group 2030 Goals for SDGs

In the area of environment, one of the four key themes, the Mitsubishi Estate Group revised its GHG emission reduction and renewable power ratio targets significantly upwards in March 2022 to realize a decarbonized society.

Our GHG emission reduction targets are to achieve at least a 70% reduction in Scope 1 + 2 emissions and at least a 50% reduction in Scope 3 emissions by 2030, both compared with 2019, and ultimately net zero in 2050. We were the first Japanese company to receive validation under the new SBTi net zero criteria.

With regards to the renewable power ratio, we have significantly accelerated the timing for achievement of RE100, which we aim to do in 2025. In fiscal 2022, we expect to achieve a renewable power ratio of 55% for the Group overall by switching all the electricity used in offices and commercial complexes in Tokyo and Yokohama to renewable energy sources, and also expanding similar initiatives in regional properties.

In addition to these specific initiatives, we are also working to strengthen our governance and business strategies related to climate change, and we will continue to proactively disclose information based on frameworks such as TCFD and SASB. Recently, in light of growing social concern, discussions have accelerated around the role expected of corporations and new information disclosures in areas such as biodiversity and water resources. While closely monitoring these trends, Mitsubishi Estate will consider and address the issues it needs to work on to realize sustainable growth in recognition of the importance of addressing global-scale issues beyond those that relate specifically to the Group.

In the key theme of diversity and inclusion, we revised our targets for the percentage of female managers (20% or more in 2030, 30% in 2040, and 40% in 2050) together with raising our target for the percentage of female employees among new graduate recruits (40%). We are also promoting a variety of initiatives, including the enhancement of internal programs to support diverse workstyles, as well as education to ensure the appropriate mindset of our employees.

In November 2021, we launched WELL ROOM, a multi-lingual healthcare service. WELL ROOM is a BtoBtoE (employee) online service for corporations wanting to provide support for maintaining and managing employee health, regardless of nationality or language. The service supports the development of an environment that allows non-Japanese nationals working in Japan to receive the same level of healthcare services as Japanese nationals. Through the service, we aim to realize a society in which all people can live in more safety and security. The Group is also promoting initiatives to use timber that complies with the Sustainable Sourcing Code (certified lumber or Japan-grown timber) or equivalent for 100% of the timber in the concrete formwork panels it uses in the construction of office buildings and housing by 2030 with the aim of realizing sustainable procurement that ensures traceability from the perspective of human rights and environmental protection. This is in response to the possibility, raised by NGOs and others, that the procurement of materials for concrete formwork panels may involve illegal logging, including the taking of indigenous peoples' land and destruction of the environment. Mitsubishi Estate has been requesting construction companies to comply by including this information in the quotation guidelines it distributes when selecting contractors for new construction projects since April 2020. Mitsubishi Estate Residence is also taking measures to ensure the traceability of timber in concrete formwork panels used in new condominiums for sale. The company has established a unique third-party certification scheme based on use of PEFC-certified timber, starting with The Parkhouse Komazawa Residence. In addition, The Parkhouse Takanawa Matsugaoka became the world's first project to obtain certification based on FSC criteria.



In the key theme of innovation, in addition to actively investing in start-ups and venture capital with the aim of discovering new business projects and creating synergies with existing businesses, we also develop and operate business incubators and utilize the latest technologies such as AI and robotics. In 2022, we also launched Bricks Fund Tokyo, a CVC that invests in start-ups attempting to create a mid-to-long term social impact through solving social challenges and industrial restructuring.

Moreover, we are working continuously to promote business model innovation and new value creation, including the Mitsubishi Estate Corporate Accelerator Program which aims to create new businesses through open innovation and the Mitsubishi Estate Group Innovation Challenge (MEIC), our internal new business proposal system which we expanded to employees of Group companies in fiscal 2021.

In the key theme of resilience, we consider being prepared for natural disasters, such as earthquakes and storms, one of the most important issues for urban development. We have already taken measures to counter earthquake and water damage and develop stable energy supplies for individual properties, and we have also promoted human aspects of resilience in collaboration with our external partners, including the development of an environment to enable business continuity in a disaster and the establishment of temporary accommodation for stranded commuters.

In addition to these efforts, we have implemented verification tests for Disaster Dashboard Beta with Chiyoda Ward and other partners. Disaster Dashboard Beta is part of a smart city function in the Marunouchi area to realize a next-generation disaster hub and respond to an earthquake with its epicenter directly beneath the Tokyo metropolitan area. The testing involved the provision of information on vacancies in temporary accommodation in conjunction with information on Twitter disseminated by Chiyoda Ward and others as well as the trial operation of transport for the injured using emergency buses.

In 2021, we also formulated action procedures for the Marunouchi area to reduce damage and disruption from power outages and interruptions to transport infrastructure in the Tokyo metropolitan area due to volcanic ash in the event of a major eruption of Mt. Fuji. We will continue working to reduce damage and disruption in disasters and further strengthen safe and secure urban development.

Promoting urban development that creates value in partnership with diverse stakeholders

The Mitsubishi Estate Group must share common values and standards for conduct and make concerted efforts with diverse stakeholders in aiming to realize a sustainable society and the Group's mission. In order to implement a high level of management with more awareness of global standards, the Mitsubishi Estate Group reviewed the content of the prior CSR Procurement Guidelines, which were reorganized and went into operation as the Supplier Code of Conduct in April 2022. We are working to build a sustainable supply chain by strengthening the system for confirming the initiatives taken by our suppliers on human rights, the environment, and other areas.

The Mitsubishi Estate Group endorsed the UN Global Compact in conjunction with the revision of the Mitsubishi Estate Group Guidelines for Conduct in April 2018. Since then, the Group has been working steadily to realize a sustainable society in accordance with the approach of international initiatives. Going forward, we will continue our work to engage in dialogue and collaboration with all stakeholders to solve diverse social issues and respond to the needs of society as well as the demands and expectations of the Mitsubishi Estate Group through our core business, thereby striving to maximize the value we provide to all stakeholders and further enhance our corporate value.

(As of October 7, 2022)



Outside Director's Message

Masaaki Shirakawa

Outside Director

Mitsubishi Estate Co., Ltd.

Richly diverse organization providing solutions that enhance the appeal of urban areas based on a long-term perspective

The Mitsubishi Estate Group has formulated the ten-year Long-Term Management Vision 2030, under which we have set out to increase both social and shareholder value as a strategic driver to provide value based on a long-term perspective. Risks that could not have been anticipated just a few years ago, such as the spread of COVID-19 and Russia's invasion of Ukraine, have become a reality in today's international community. The difficulty of predicting the future, however, does not negate the significance of long-term goals. I believe it will be necessary to assess the changes in society and respond with flexibility while moving forward steadily based on an overall sense of direction.

When considering the economic development of a country over the medium to long term, urban development plays a very important role. While varying in size, an "urban area" is a place where people come together and engage in activities and can be rephrased as a "city." As set out in its brand slogan "A Love for People, A Love for the City," the mission of the Mitsubishi Estate Group is to increase the appeal of urban areas, namely cities.

The Mitsubishi Estate Group 2030 Goals for SDGs, which form the core of the Group's strategy to increase social value, set out the four key themes of environment, diversity & inclusion, innovation, and resilience. What I would like is for the Mitsubishi Estate Group to address the challenges Japanese society is facing right now based on these key themes. I am expecting the Mitsubishi Estate Group to carefully address individual issues and present concrete solutions that only the Group can provide through its core business of urban development.

For example, Japan is expected to be the first country in the world to experience serious issues related to its declining birthrate and aging population. As the population declines, urban areas are expected to become more consolidated, and the question is likely to be what form these areas should take under such social conditions. The Mitsubishi Estate Group is already working on initiatives such as the active use of robots and promotion of digital transformation (DX) in facilities it owns and manages. Likewise, it is necessary for the Group to consider contributing on the global scale starting in Japan through the delivery of services that only the Mitsubishi Estate Group can provide.

I feel that the Group's initiatives on environmental issues are pioneering even within the Japanese real estate industry. In terms of the initiatives aimed at decarbonization, the Group's progress exceeds its initial targets. Nevertheless, there is a strong tendency for standards in this area to be decided in discussions focused on Europe and the U.S., and some of these standards and systems are not a match for the actual conditions in Japan. I would like to see Mitsubishi Estate become proactively involved in creating the global system itself as a leader of the Japanese real estate industry.



Promotion of diversity is another issue that the Group should continue to focus on. The fiscal 2021 increase in the target for the percentage of female managers is very significant, but in addition to the establishment of numerical targets, how systems are operated and realized is also important. Given the generation gap and other issues, we must reconsider whether there are any factors that have unconsciously hindered the advancement of women in the past and address them.

Of course, diversity has become essential as an indicator for improving corporate value in recent years. However, as people and an organization that benefits from society, I believe it is important to go back to and reflect on the intrinsic value of diversity. A monocultural organization is at the highest risk, and it is essential to bring together human resources with diverse background and constantly incorporate different perspectives. Any organization can experience narrow-minded or short-sighted perspectives from time to time, and diversity is way of preventing this.

At present, seven of the 15 directors at Mitsubishi Estate are outside directors. I feel that efforts were made to secure diversity in the selection of board members even before the skill matrix for directors was advocated. When experts with a wealth of experience from a variety of fields come together and have discussions at the meetings of the Board of Directors and various committees, viewpoints are presented that differ from what I had previously taken for granted and there is much for me, myself, to learn.

I believe that a company is ultimately made up of people. It is essential for sustainable growth that people who empathize with the Mitsubishi Estate Group's vision do their work with a high level of motivation. It is important to be an organization that the globally-minded and technology literate human resources currently in demand will choose. In other words, it is vital to ensure an environment that facilitates prompt and high-quality decision-making with free and open discussion by everyone.

Trust is the image that many people have of the Mitsubishi Estate Group, and this forms the foundation for long-term urban development. Based on the long-term perspective that is essential in the real estate business, the Mitsubishi Estate Group formulated its ten-year Long-Term Management Plan 2030 in 2020 and is working to realize the creation of a truly meaningful society through urban development, which is the Group mission, and sustainable growth. At the same time, Mitsubishi Estate is striving to increase corporate value over the medium to long term through system development that includes revision of the executive compensation plan to one that is more closely linked to the Long-Term Management Plan. In my position as an outside director, I am committed to making every effort to ensure the Mitsubishi Estate Group continues to live up to the trust society has given it.

(As of October 7, 2022)



SUSTAINABILITY MANAGEMENT

Mitsubishi Estate Group Sustainability Vision 2050
Be the Ecosystem Engineers

Corporate Philosophy and Sustainability Vision

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Value Creation Model

[READ MORE →](#)

Sustainability Promotion System

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Participation in Global Initiatives

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Stakeholder Engagement

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External Evaluations of ESG Performance

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Mitsubishi Estate Group ESG-Related Rules and Policies

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SUSTAINABILITY MANAGEMENT

Corporate Philosophy and Sustainability Vision

Philosophy

The Spirit of Mitsubishi: The Three Principles/Mission/ Code of Conduct/Guidelines for Conduct

The Spirit of Mitsubishi: The Three Principles

Shoki Hoko

所期奉公

**Corporate
Responsibility to
Society**

Strive to enrich society, both materially and spiritually, while contributing towards the preservation of the global environment.

Shoji Komei

処事光明

**Integrity and
Fairness**

Maintain principles of transparency and openness, conducting business with integrity and fairness.

Ritsugyo Boeki

立業貿易

**Global
Understanding
through Business**

Expand business, based on an all-encompassing global perspective.

The Mitsubishi Estate Group has steadily implemented efforts aimed at achieving the Mission of Mitsubishi Estate Group. In addition, we have established the Mitsubishi Estate Group Code of Conduct to be practiced in implementing the Group Mission. Further, we have implemented the Mitsubishi Estate Group Guidelines for Conduct, which sets out the specific standards of conduct in order to realize "who we aspire to be, what we are expected of, and what we should do in order to achieve these aspirations," as established in the Code of Conduct. We periodically assess the expectations of global society and social trends and review the effectiveness of the Code of Conduct as necessary. Going forward, we will continue to put into practice the substance of the Code of Conduct and the Guidelines for Conduct with the aim of "creating a truly meaningful society through urban development" as set out in the Group Mission.



The Mission of Mitsubishi Estate Group

We contribute to society through urban development.

By building attractive, environmentally sound communities where people can live, work and relax with contentment, we contribute to creating a truly meaningful society.

The Mitsubishi Estate Group Code of Conduct

In order to carry out the Group Mission, we pledge to observe the following Code of Conduct.

1. We will act with integrity.

We will base our conduct on laws and ethics and always reflect with humility upon our behavior, valuing our communication with society and placing priority in our corporate activities on earning trust through fairness and transparency.

2. We will strive to earn the trust of our clients.

We will approach all objectives from our clients' point of view, providing safe and reliable products and services, and make information available as appropriate.

3. We will strive to create a vibrant workplace.

While aiming at personal growth, we will respect the human rights and the diversity of opinion of others and increase our creativity and professionalism, while displaying our collective strengths as a team.

Mitsubishi Estate Group Guidelines for Conduct (Revised April 2018)

Details regarding the Mitsubishi Estate Group Guidelines for Conduct are available here.



Formulated: December 1, 1997/Revised: August 1, 2002, January 1, 2006, and April 1, 2018



Mitsubishi Estate Group Sustainability Vision 2050

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Sustainability Vision 2050 to move toward a corporate management focused on sustainability by 2050 and to promote businesses that help realize a sustainable world.

Mitsubishi Estate Group Sustainability Vision 2050

Be the Ecosystem Engineers

We aspire to be a corporate group (=engineers) that provides spaces and infrastructure (=ecosystems) where all actors (individual, corporations, and more) are able to coexist sustainably and thrive together—economically, environmentally, and socially.

→ [The Mitsubishi Estate Group Sustainability Vision 2050 Video](#) 

In order to realize the content of the Mitsubishi Estate Group Sustainability Vision 2050, the Group has established Mitsubishi Estate Group 2030 Goals for SDGs, which are positioned as milestones defining specific themes and actions to achieve the 2050 vision. We are committed to providing even more profound value to a wider range of stakeholders in the four key themes of Environment, Diversity & Inclusion, Innovation, and Resilience.

Mitsubishi Estate Group 2030 Goals for SDGs

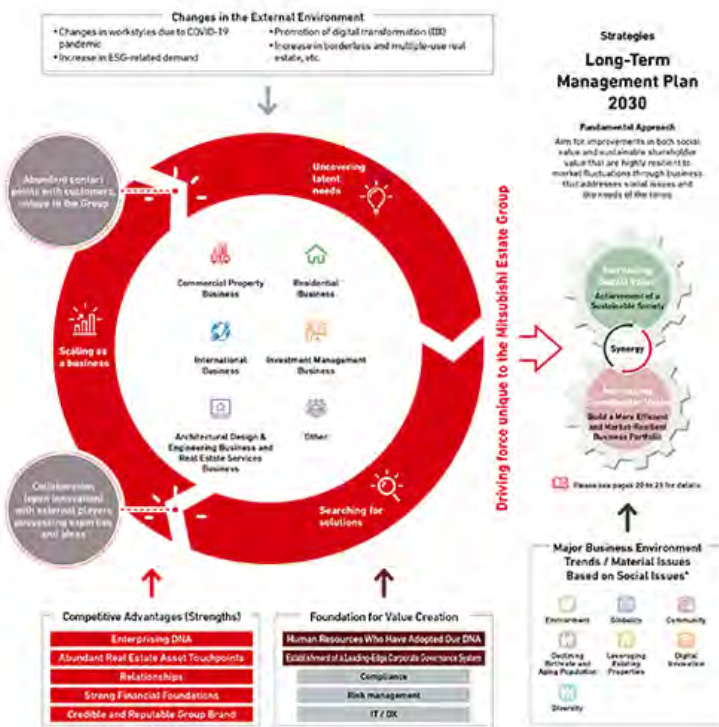
[READ MORE](#) →



Mitsubishi Estate Group Value Creation Model

Strengths and Value Creation Cycle

Having grown as a comprehensive developer, Mitsubishi Estate aims to realize ongoing corporate value improvement and achieve a sustainable society through its steadfast commitment to creating attractive urban developments that anticipate changes in the times and to enriching people's lifestyles, while leveraging and enhancing its various strengths.



The Mission of the Mitsubishi Estate Group
 We contribute to society through urban development.
 By building attractive, environmentally sound communities where people can live, work, and relax with contentment, we contribute to the creation of a truly meaningful society.

Value Created through Our Businesses (Outcomes)

Transformational improvements to the Group's business portfolio's efficiency and market resilience aimed at achieving the KPIs set out in its Long-Term Management Plan 2030

- Cities that conduct management of climate change, waste, and energy issues
- Cities conducive to realizing diversity and inclusion
- Innovative cities acting as wellspring for open innovation
- Safe and peaceful cities of a sustainable and resilient nature

To create a truly meaningful society, the Mitsubishi Estate Group offers a broad range of value to all of its stakeholders through attractive urban development, leveraging its comprehensive capabilities and strengths.

Output (Types of Value Offered by Our Businesses)

- Domestic Asset Business**: Implement urban development proposing new workstyles and lifestyles through the promotion and commercialization of redevelopment projects, including in Mynanochi
- International Asset Business**: Establish a credible and reputable Group brand in growing overseas markets by leveraging development know-how accumulated in Japan
- Non-Asset Business**: Offer value appropriate for the coming era in new domains through collaboration with partners

Achievement of a Sustainable Society
 • Environment • Diversity & Inclusion • Innovation • Resilience

Viewing "Sustainability" and "Quality of Life" as our value propositions, we will endeavor to achieve a sustainable society through our business activities.

Financial Value	Non-Financial Value
Operating revenue	Percentage of CO ₂ emissions reduction (compared with FY2020)
Operating profit	Percentage of electricity from renewable energy sources
ROE	Percentage of buildings designated as shelters for stranded commuters
	37%
	31%
	100%

Mitsubishi Estate Group Value Creation Model (158KB)





SUSTAINABILITY MANAGEMENT

Sustainability Promotion System

Operational Framework for Sustainability

Mitsubishi Estate takes an active, group-wide approach to sustainability. Chaired by the President & Chief Executive Officer of Mitsubishi Estate with the Director responsible for Sustainability (the Director in charge of the Sustainability Management and Promotion Department at Mitsubishi Estate) as the deputy chair, the Group's Sustainability Committee comprises executives in charge of respective functional and business groups and the executives in charge of the Corporate Group, as well as managers of the major Group companies, and it ensures group-wide implementation of sustainability. The Sustainability Subcommittee serves as forum for detailed discussion to prepare for Sustainability Committee meetings.

The Sustainability Committee typically meets twice a year to deliberate and report on important matters related to sustainability. Prior to the meetings of the Sustainability Committee, the Sustainability Subcommittee conducts preliminary discussions and reporting while compiling information on efforts to promote sustainability made by business groups.

The deliberations of the Sustainability Committee are submitted to the Executive Committee whenever necessary in light of their importance and other factors. The deliberations of the Sustainability Committee are also reported to and supervised by the Board of Directors.

The Sustainability Committee formulates policies and plans. In implementing the policies and plans it approves, the Director responsible for Sustainability oversees the process, while the sustainability managers and staff of each department at Mitsubishi Estate and each Mitsubishi Estate Group company and the Sustainability Promotion Executive Office (Sustainability Management and Promotion Department at Mitsubishi Estate) together head the execution of specific activities and studies.



Board of Directors

Report ↑ ↓ Supervision

Sustainability Committee

- Committee Chair:** President & Chief Executive Officer of Mitsubishi Estate
- Deputy Committee Chair:** Director in charge of Mitsubishi Estate Sustainability Management Promotion Department
- Committee members:** Executives in charge of respective functional and business groups, executives in charge of the Corporate Group, presidents of core operating companies
- Observers:** Chairman, standing statutory auditors and others as observers

Sustainability Subcommittee

- Committee Chair:** General Manager of Sustainability Management and Promotion Department
- Committee members:** Director in charge of Mitsubishi Estate Sustainability Management Promotion Department, General Managers of line and staff departments for functional and business groups, General Managers in charge of the Corporate Group, sustainability managers and staff at core operating companies

Chief Sustainability Officer

Director in charge of Mitsubishi Estate Sustainability Management Promotion Department

Instruction →

← Deliberate/Report

Sustainability Promotion Executive Office

Mitsubishi Estate Sustainability Management Promotion Department

Sustainability managers and staff

Each Mitsubishi Estate Department, and Mitsubishi Estate Group companioning



Monitoring Progress Relating to Key Themes

The Mitsubishi Estate Group formulated the Mitsubishi Estate Group 2030 Goals for the SDGs, a core component for its strategy of increasing social value, and one of the strategic drivers that the Group has set out in its Long-Term Management Plan 2030 (launched in 2020). The 2030 Goals make plain the four key themes of the environment, diversity & inclusion, innovation, and resilience, and articulate specific action plans and targets for each theme. For the "environment" theme in particular, the Group has established quantitative goals linked to international initiatives, such as the formulation of science-based targets (SBTs) and participation in RE100.

To achieve these goals, the Group has incorporated its annual targets and initiatives related to the four key themes into annual plans for each organization and function. The Sustainability Committee tracks Group-wide progress and manages the process using the PDCA cycle. Target progress and detail are also regularly monitored by third-party organizations.

Finally, achieving the annual plans is included as one of the qualitative evaluation criteria for determining officer remuneration.

Past Meetings of the Sustainability Committee

Fiscal 2021

1st meeting (July 7, 2021)

- Review of energy-related targets (SBT, RE)
- Report on Energy and Urban Development Action 2050
- Information on activities for OMY SDGs ACT5 2021 and status of their implementation
- Status of initiatives toward achieving Mitsubishi Estate Group 2030 Goals for the SDG

2nd meeting (February 25, 2022)

- Revisions to energy-related targets (SBT, RE)
- Revisions to CSR procurement guidelines and status of supply chain management-related initiatives
- Raising the target for percentage of female managers
- Report on activities for OMY SDGs ACT5 project
- Status of initiatives toward achieving Mitsubishi Estate Group 2030 Goals for the SDGs



Past Meetings

[See all](#)

Fiscal 2020

1st meeting (July 30, 2020)

- Partial revision of the Sustainability Committee Regulations and the Sustainability Subcommittee Regulations
- Discussion of OMY SDGs ACT5
- Roadmap toward achieving the Mitsubishi Estate Group 2030 Goals for SDGs and analysis of issues
- Discussion of recent topics, etc.
 - (1) Mitsubishi Estate Group's SDGs-related press release
 - (2) Sustainability-related topics (report on recent conditions based on global situation associated with COVID-19 pandemic)
 - (3) Current status of Mitsubishi Estate-sponsored promotions

2nd meeting (February 8, 2021)

- Discussion on introducing renewable power in Otemachi-Marunouchi-Yurakucho area
- Initiative related to ensuring traceability of concrete formwork panels at Mitsubishi Estate Residence
- OMY SDGs ACT5 event report
- Discussion on promotion of internal communication measures related to sustainability
- Discussion on complying with ESG index benchmarks
- Discussion on implementation of third-party checks aimed at promotion of the Mitsubishi Estate Group 2030 Goals for SDGs

Fiscal 2019

1st meeting (December 2019)

- Establishment of the long-term (2050) vision^{*1} and the medium-term goals (2030)^{*2} in relation to sustainability management
- Status of response to ESG investment and various benchmarks

*1 Mitsubishi Estate Group Sustainability Vision 2050 announced in January 2020

*2 Mitsubishi Estate Group 2030 Goals for SDGs announced in January 2020

2nd meeting (February 2020)

- Discussion of the promotion plan and system of checks aimed at "spiraling up" the action plan for Mitsubishi Estate Group 2030 Goals for SDGs, and proposal for concrete action plan in the human rights area
- Discussion of joining RE100 and endorsement of TCFD recommendations



Fiscal 2018

1st meeting (July 2018)

- Setting numerical targets for KPIs and extension of boundaries (scope of disclosure), including consideration of science-based target (SBT) content (medium- to long-term greenhouse gas emission reduction targets)
- Implementing in-house SDGs working group (including review of materiality)
- Publication of Integrated Report
- Human rights due diligence procedures
- Green bond issuance

2nd meeting (March 2019)

- SDGs working group implementation report
- Participation in medium- to long-term CO2 emissions reduction targets (SBTs)
- Review of KPIs
- Change of rules and organization name
- (Name changed from CSR & Environmental Sustainability Department to Sustainability Management and Promotion Department in fiscal 2019)

Fiscal 2017

1st meeting (July 2017)

- Report on FY2016 key CSR themes and KPI results
- CSR activities report, etc.

2nd meeting (February 2018)

- Initiatives for SDGs and review of key CSR themes and KPIs
- Launch of human rights due diligence study group



SUSTAINABILITY MANAGEMENT

Participation in Global Initiatives

Signed the United Nations Global Compact

In April 2018, the Mitsubishi Estate Group became a signatory to the United Nations Global Compact. Our brand slogan is "A Love for People. A Love for the City" and our Group mission is to contribute to society through urban development. Henceforth the Group will uphold the Ten Principles of the UN Global Compact and endeavor to respect human rights, eliminate unfair labor, protect the environment and avoid corruption as it continues to contribute to the development of a sustainable world by establishing targets and policies suited to its business and pursuing them using the PDCA management cycle.



Mitsubishi Estate's GHG Reduction Targets Approved by Science Based Targets Initiative

The Mitsubishi Estate Group formulated group-wide medium- to long-term greenhouse gas (GHG) emissions reduction targets in March 2019. In April 2019, the Group's targets were approved by the Science Based Targets initiative as consistent with the level required under the Paris Agreement (limiting average global temperature rise due to climate change to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C) based on scientific evidence. Moreover, in March 2022, the Group revised its targets in line with the Net-Zero Standard published by the SBTi in October 2021 based on its 1.5°C scenarios (Targets approved by the SBT initiative in June 2022).





GHG Emissions Reduction Targets (revision in March 2022) (Targets approved by the SBT initiative in June 2022)

- Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions
- Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions*.)

* Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.

Signing on to Race to Zero and Business Ambition for 1.5°C

In line with the commitment to the Net-Zero Standard set by the SBTi, the Group has also signed on to the international decarbonization campaigns Race to Zero*¹ and Business Ambition for 1.5°C*².

- *1 Race to Zero is an international campaign announced in June 2020 by the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) to rally leadership and support from "real economy" actors, including businesses, cities, regions, investors, and universities, to commit to achieving net zero carbon emissions by 2050, and to take immediate action to achieve this goal.
- *2 Business Ambition for 1.5°C is an international campaign led by the UN Global Compact, the We Mean Business Coalition, and the SBTi that makes an urgent call for businesses to set science-based GHG emissions reduction targets with the goal of achieving net-zero emissions by 2050.





Participating in RE100

On January 31, 2020, Mitsubishi Estate joined RE100, a global corporate leadership initiative bringing together businesses committed to 100% renewable energy. With its March 2022 formulation of GHG reduction targets in line with the Net-Zero Standard established by the SBTi (Targets approved by the SBT initiative in June 2022), Mitsubishi Estate is aiming to achieve group-wide 100% renewable power use by fiscal 2025.



See the following for the renewable energy rate and a list of buildings to introduce renewable energy.

Reference: ESG Data > E: Environmental data > (1) KPI > Renewable energy rate



Reference: List of Buildings Introducing Renewable Energy



* RE100 is a global corporate initiative led by The Climate Group, an international NGO working to accelerate climate action, in partnership with CDP, an international NGO that provides investors, companies, cities, states and regions with a global disclosure platform to manage their environmental impacts. RE100 brings together influential businesses committed to switching to 100% renewable energy for the electricity they use.

Participating in JCLP

In April 2020, Mitsubishi Estate became an executive member of the Japan Climate Leaders' Partnership (JCLP), a group of companies that aim to realize a sustainable decarbonized society. Through its participation in JCLP, Mitsubishi Estate will work with other companies toward decarbonization and make policy proposals to the government.



JCLP also serves as Japan's point of contact for RE100 memberships in partnership with The Climate Group, an international, non-profit organization.



Signed on to TCFD

On February 3, 2020, Mitsubishi Estate announced its support for the recommendations of TCFD. In May 2020, the Company disclosed such information as governance, strategies, risk management, indicators and targets on climate change risks and opportunities in accordance with the framework recommended by TCFD. Going forward, the Company will consider expanding the scope of information to be disclosed as it works to further improve governance and business strategies pertaining to climate change based on the results of the scenario analysis.



* The Task Force on Climate-related Financial Disclosures (TCFD) was established by the Financial Stability Board (FSB) based on a G20 request to investigate how to disclose climate-related information and respond to financial institutions. The task force issued its final report in June 2017, encouraging companies and others to disclose climate change-related risks and opportunities.

[Information Disclosure Based on TCFD Recommendations](#)



Signed the Principles for Responsible Investment (PRI)

The Principles for Responsible Investment (PRI) comprises an international network of investor signatories that works to realize the Six Principles established for the finance industry in 2006 under the leadership of the then United Nations Secretary-General, Kofi Annan. This network is promoted through the United Nations Environment Programme (UNEP) and the United Nations Global Compact (UNGC).



PRI encourages the incorporation of Environment, Social and Governance issues into investment decision-making processes, with the aim to help companies enhance long-term investment performance and better fulfill their fiduciary duty.

Endorsing the basic approach of PRI, Japan Real Estate Asset Management (JRE-AM) became a signatory in August 2018, while Mitsubishi Jisho Investment Advisors became a signatory in March 2020.

JRE-AM has received the following evaluation results for which we made the report* in 2021.

* PRI signatories are required to report on the status of their ESG integration practices to PRI each year.

Module	Score
Investment & Stewardship Policy	★★★★☆
Real Estate	★★★★★ (Highest rating)



The Six Principles of PRI

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.



SUSTAINABILITY MANAGEMENT

Stakeholder Engagement

Basic Policy and Approach

Living up to its mission, “We contribute to society through urban development,” Mitsubishi Estate Group strives to contribute to creating a truly meaningful society by building attractive, environmentally sound communities where people can live, work and relax with contentment. The Mitsubishi Estate Group’s business is built upon the foundation of its relationships with a wide variety of stakeholders, including customers, shareholders, local communities, government and local authorities, business partners, and executives and employees and their family members. Business activities in urban development involve many stakeholders by their very nature, and the Mitsubishi Estate Group has the responsibility to pursue its business activities while living up to the trust placed in it by these stakeholders.

Based on the opinions of outside experts and others, the Group identifies the stakeholders involved in the conduct of its business and analyzes the relationship with each stakeholder and the degree of influence and other factors to determine the level of priority. To this end, the Group places great importance on stakeholder engagement, with the following as its main objectives.

- Receiving recognition for the Group’s initiatives
- Having stakeholders share their expectations and concerns related to the Group
- Obtaining opinions on new social issues and themes and learning from best practices
- Sharing with stakeholders the Group’s initiatives and corporate stance

In light of these objectives, the Group examines and implements the most suitable methods of engagement with each stakeholder (see “Methods for dialogue with stakeholders” below). The Mitsubishi Estate Group utilizes the opinions received through stakeholder engagement in its business and engages in two-way communication with stakeholders to maintain their trust and confidence, thereby ensuring the sustainable continuity of business.



Stakeholder Engagement



Governance Structure

Daily stakeholder engagement efforts are conducted by each Group company and department in charge, which maintains close communications with each stakeholder, working in collaboration with the relevant departments of each Group company.

Opinions received through stakeholder engagement are compiled by Mitsubishi Estate's Sustainability Management and Promotion Department and provided as feedback to management for reflection in business operations and further development of initiatives.

The Group regularly reviews whether engagement with each stakeholder is effective and strives to minimize stakeholder engagement risks, such as overlooking stakeholder expectations and requests or failing to approach specific stakeholders adequately.

Methods for Dialogue with Stakeholders

Stakeholders	Definition	Opportunities for dialogue	Primary themes
Customers	Users of tenant buildings, parties to housing and condominium contracts, various subcontractors, etc.	<ul style="list-style-type: none"> ● Customer satisfaction surveys, questionnaires, etc. ● Communication through marketing activities 	<ul style="list-style-type: none"> ● Urban development to create safety and security ● Quality and safety management for products and services ● Urban development to support declining birthrates and aging populations
Community and Society	Local community and local residents involved in the Mitsubishi Estate Group's business	<ul style="list-style-type: none"> ● Meetings with influential stakeholders ● Dialogues through cooperation with administrations, local government and NPOs ● Social contribution initiatives 	<ul style="list-style-type: none"> ● Economic contributions to the community ● Promoting smart communities ● Sustainable use of forest resources
NGO・NPO	NGOs, NPOs, etc. that promote activities on themes related to the Mitsubishi Estate Group's business	<ul style="list-style-type: none"> ● Hold individual dialogues ● Collaborate in organizing events on specific themes ● Participate in events, seminars, etc. held by NGOs and NPOs 	<ul style="list-style-type: none"> ● Climate Change ● Biodiversity ● Resource Circulation ● Water Resources ● Forest Conservation ● Human Rights ● Diversity etc.



Stakeholders	Definition	Opportunities for dialogue	Primary themes
Employees	Mitsubishi Estate Group employees	<ul style="list-style-type: none"> ● Communication via personnel evaluations ● Dialogue via compliance survey and other internal platforms 	<ul style="list-style-type: none"> ● Developing the capabilities of employees, utilizing diverse human resources and providing equal opportunities ● Maintaining safety as well as physical and mental health
Business Partners	Construction subcontractors, cooperating companies, suppliers, etc.	<ul style="list-style-type: none"> ● Communication during operations ● Subcontractor evaluation systems, training sessions for registered construction firms, quality and safety promotion conferences, other ● Communication during procurement activities ● Disseminating the Supplier Code of Conduct and implementing interview surveys 	<ul style="list-style-type: none"> ● Supply chain management ● Green procurement ● Urban development to create safety and security
Shareholders and Investors	Individual and institutional investors	<ul style="list-style-type: none"> ● Financial results briefings (twice a year) ● Small group meetings and property tours for analysts and investors ● One-on one meetings with Japanese and foreign institutional investors (around 300 meetings per year) ● Participation in various other online conferences, etc. ● ESG-specific presentations to shareholders ● Communication using IR tools 	<ul style="list-style-type: none"> ● Economic performance ● Healthy corporate management



FY2022 Stakeholder Dialog Details

- Main dialog partners: BSR, WWF Japan, experts on each subject, etc.
- Dialog method: Online interviews (11 sessions)
- Dialog time frame: April to June 2022

Theme	Stakeholder expectations for the Company, perceived issues
Climate change	<ul style="list-style-type: none"> ● It would be ideal to have procurement and ordering policies that promote concrete decarbonization efforts. ● As is apparent by the fact that so-called offsets are not allowed in SBTi target setting, there is a major trend toward not recommending the use of credits for the purpose of offset. When using credits to neutralize final residual emissions to contribute to reduction outside the scope of targets, it is important to confirm the details of whether sustainability is being guaranteed in the true sense. ● Proactive policy proposals on carbon pricing and energy saving performance standards are anticipated. ● Because of the high possibility that the approach to the biomass output coefficient will be changed, it is necessary to watch trends and consider how it should be handled.
Lumber	<ul style="list-style-type: none"> ● When promoting domestic lumber as qualifying as low risk, the company should confirm that the risk actually is low after performing human rights and environmental risk assessments. The same applies for the CLT business. ● Formulation of policies in pursuit of traceability and sustainability are anticipated for use of wood other than formwork plywood panels as well.
Plastic	<ul style="list-style-type: none"> ● With regard to the reuse and reduction of plastics and other waste, besides the 2030 targets, urgent establishment of KPIs targeting 2025 is anticipated. Also, in preparation for eliminating the cycle of mass production, mass consumption, and mass disposal, proactive collaboration with relevant parties is anticipated in order of waste reduction, reuse, and material recycling. ● With the goal of expanding Otemachi-Marunouchi-Yurakucho initiatives across the country in mind, the company must be conscious of its position as a base for each region and collaborate with tenants and waste disposal vendors to promote a circular economy far and wide in a sustainable manner.
Biodiversity	<ul style="list-style-type: none"> ● The company should conduct assessments not only on business areas, but also on the impact and reliance of biodiversity in areas that include suppliers of building materials, etc. ● Rather than conserving biodiversity for the purpose of CSR, the company needs to consider such preservation within its business operations. ● Effective public communication is expected in the future through SDGs ACT 5 and other channels.



Theme	Stakeholder expectations for the Company, perceived issues
Water	<ul style="list-style-type: none"> ● The company should evaluate the risks, opportunities, impact and dependence on the environment across the entire supply chain including raw materials procurement in terms of the watershed and operations. ● The company should establish water targets and strategies that link to the company's overall strategy. ● For example, gravel has been improperly collected in some areas (Mekong River basin, etc.), resulting in environmental and social issues. It is anticipated to perform identification and risk analysis of areas where gravel used in concrete is collected and formulate a policy in pursuit of sustainability and traceability. ● At locations important to achieving the above water targets and strategy, the company should promote AWS certification while maintaining consistency with the overall water targets.
Human rights	<ul style="list-style-type: none"> ● An evaluation of the effectiveness of current risk reduction initiatives and disclosure of results is anticipated. ● The company should identify "human rights trafficking" as a possible human rights risk associated with hotel business and implement countermeasures. ● Efforts are anticipated on improving minimum wages and living wages, as well as policy proposals.
Supply chain management	<ul style="list-style-type: none"> ● The company is currently focusing efforts on labor conditions and environmental risks at construction sites. However, the company should conduct risk assessments on building materials (particularly steel, cement, and glass) going forward. ● Disclosure of the company's main supplier list is also anticipated.
Technology	<ul style="list-style-type: none"> ● As a company whose goal is urban development utilizing technology, the company should conduct risk assessments in line with the type and application of technologies it employs. Afterward, the company must formulate a Group-wide policy on technology use.
Diversity and inclusion	<ul style="list-style-type: none"> ● It is important to improve initiatives considering both "attribute-based diversity" and "experience/skill/knowledge-based diversity." To achieve this, it is vital to provide equal opportunities and analyze from various viewpoints whether any inequalities exist. ● Rather than viewing gender diversity as an issue of employee mindset, it is important to view it as a management issue. To do so, training for executives and the management on the importance of gender diversity is required. ● In addition to training, it may be a good idea to begin LGBTQI+ initiatives through an employee working group. ● Promotion of D&I among suppliers is also anticipated.



Partnerships with Outside Organizations

Partner organization	Overview	Our role
The Association of Real Estate Agents of Japan	The Association's members are major and medium-sized housing manufacturers and real estate companies that focus on real estate marketing activities. The Association aims to improve the various systems related to real estate transactions through related investigations, research, and proposals, etc.	Deputy Director Board Members Corporate Advisor
Real Estate Companies Association of Japan	The Association's members are companies that engage in urban and community development. It conducts investigations and research on systems related to real estate, makes policy proposals, and conducts social contribution activities to make it possible to proactively and effectively promote the supply of high-quality offices and homes and the smooth distribution of a stock of housing.	Deputy Director Board Members Corporate Advisor
Japan Building Owners and Managers Association	As Japan's only nationwide organization of business operators who own and manage office buildings, the Association conducts investigative research and awareness-raising activities related to building operation and management, etc.	Chair
Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho	The Council engages in efforts related to urban development in light of the "Guidelines for the Redevelopment of the Area" of the Otemachi, Marunouchi, and Yurakucho areas of Tokyo, in collaboration with companies, organizations, and governmental agencies, etc., in an aim to increase the area's value and achieve sustainable development of central Tokyo.	Regular Members Director Chair Committee Chair
Association for Creating Sustainability in Urban Development of the Otemachi, Marunouchi, and Yurakucho Districts (Commonly known as the "Ecozzeria Association")	The Association operates the "CSV Business Creation Platform" that aims for better urban development and to resolve social issues directed toward achievement of the "Otemachi, Marunouchi, Yurakucho (OMY) Sustainability Vision." It works to create opportunities for interaction between companies and many people inside and outside the OMY area, build CSV business that sustains development of "environment," "economy," and "society" on that foundation, conduct R&D related to cutting-edge technology that contributes to creation of a sustainable society, etc., and implement awareness-raising activities.	Regular Members Board Members Auditor



Partner organization	Overview	Our role
OMY Area Management Association (Commonly known as "Ligare")	The Association handles "soft" components of urban development of the OMY area. It plans and operates events and other activities, conducts public relations, and engages in investigational research, and otherwise conducts activities as the instrument advancing systems established by government, such as the "Tokyo Municipal Ordinance on Promoting the Syareta-Machinamidukuri, the Creating of an Attractive and Exceptional City" and outdoor advertising projects.	Regular Members Deputy Director Board Members
The Industrial Federation for Human Rights, Tokyo The Corporate Federation for Dowa and Human Rights Issues, Osaka	Recognizing that human rights are the foundation of sustainability, the Federation works to solve a variety of human rights problems, such as the problem of discrimination, from a corporate perspective.	The organization is operated independently by members (human rights staff).

Distribution of Economic Value to Stakeholders

See the following for data on economic value distributed to shareholders.

ESG Data > S: Social data > (2) Other






SUSTAINABILITY MANAGEMENT

External Evaluations of ESG Performance

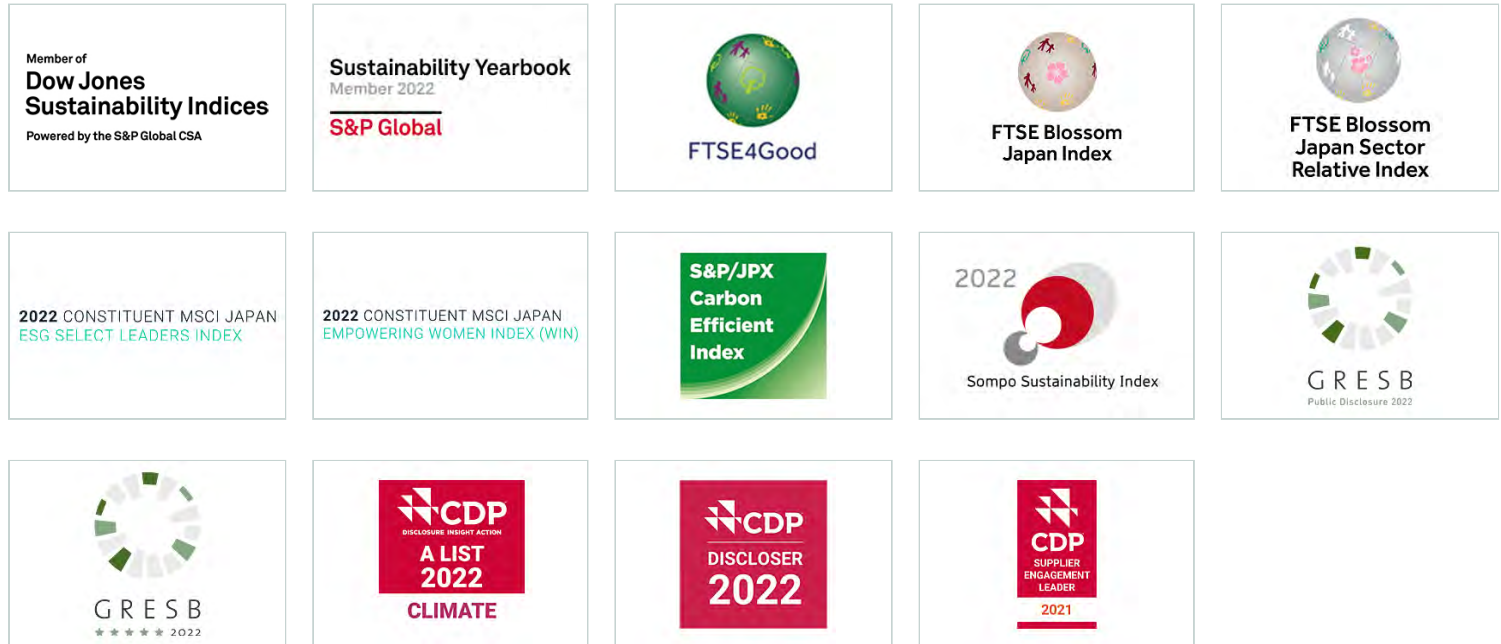
ESG Index Inclusion and External Evaluations

Mitsubishi Estate has been selected for inclusion in the following environmental, social and governance (ESG) indices for socially responsible investment (as of December 13, 2022).

- Dow Jones Sustainability World Index
- Dow Jones Sustainability Asia Pacific Index, 3rd consecutive year
- S&P Global Sustainability Yearbook Member 2022
- FTSE4Good Global Index, 21th consecutive year
- FTSE Blossom Japan Index, 6th consecutive year
- FTSE Blossom Japan Sector Relative Index
- MSCI Japan ESG Select Leaders Index, 6th consecutive year
- MSCI Japan Empowering Women Select Index, 5th consecutive year
- S&P/JPX Carbon Efficient Index, 5th consecutive year
- SOMPO Sustainability Index, 11th consecutive year
- GRESB Public Disclosure, 6th consecutive year
- 2022 GRESB Real Estate Assessment
 - 5 Stars, the highest rating in GRESB Standing Investments Benchmark^{*1} (3rd consecutive year)
 - 4 Stars, the highest rating in GRESB Development Benchmark^{*2}
- *1 Assessment of the performance of standing investment portfolio
- *2 Assessment of the new construction and major renovation portfolio
- Score: A, CDP Climate Change 2022 Questionnaire
- Score: A-minus, CDP Water Security 2022 Questionnaire
- Score: B CDP Forests 2022 Questionnaire
- CDP2021 Supplier Engagement Leader
- Certified in 2022 as Outstanding Health and Productivity Management Organization



Socially responsible investing is an approach to investing in companies that takes into consideration their environmental and social initiatives and corporate governance as well as economic aspects. We will continue to integrate our business with sustainability as we pursue sustainable corporate management.



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SUSTAINABILITY MANAGEMENT

Mitsubishi Estate Group ESG-Related Rules and Policies

The Mitsubishi Estate Group has established rules and policies based on [the Mitsubishi Estate Group Mission, the Code of Conduct, and the Guidelines for Conduct](#).

Mitsubishi Estate Group Basic Environmental Policy

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Basic Environmental Policy, which is based on its corporate mission. The entire Group works together to implement sound environmental management.

[Mitsubishi Estate Group Basic Environmental Policy](#)



Mitsubishi Estate Group Green Procurement Guidelines

The Mitsubishi Estate Group has established the Green Procurement Guidelines as an active effort to be environmentally friendly and help reduce the burden on the global environment. The Guidelines promote green procurement, which refers to procurement or construction methods that use materials and equipment with a low environmental impact.

[Mitsubishi Estate Group Green Procurement Guidelines](#)



Mitsubishi Estate Group Supplier Code of Conduct

The Mitsubishi Estate Group believes that, in order for it to contribute to the creation of a truly meaningful society through its business activities, it is essential that it work with its business partners to promote socially responsible procurement at all stages of the supply chain. With this recognition, the Group revised its CSR Procurement Guidelines, which was created in April 2016, and established the Mitsubishi Estate Group Supplier Code of Conduct in April 2022.

[Supply Chain Management > Establishment of Mitsubishi Estate Group Supplier Code of Conduct](#)





Mitsubishi Estate Group Human Rights Policy

As a member of society, the Mitsubishi Estate Group has a renewed awareness of the importance of respecting human rights. Accordingly, on April 1, 2018, we established the Mitsubishi Estate Group Human Rights Policy with the aim of fulfilling our responsibility to respect the basic human rights not only of Group companies, but of all stakeholders.

[Human Rights Initiatives > Policy on Human Rights](#)



[Human Rights Initiatives > Mitsubishi Estate Group Human Rights Policy](#)



Mitsubishi Estate Group UK Modern Slavery Act Statement

Mitsubishi Estate has issued the 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 and its supply chain, in addition to outlining the Group's initiatives to prevent and mitigate these risks.

[Human Rights Initiatives > Mitsubishi Estate Group UK Modern Slavery Act Statement](#)



Mitsubishi Estate Group Anti-Corruption Guidelines

The Mitsubishi Estate Group announced the Mitsubishi Estate Group Anti-Corruption Guidelines on July 1, 2018.

[Compliance > Preventing Corruption](#)



Mitsubishi Estate Group Guidelines on Social Contribution Activities

In April 2008, the Mitsubishi Estate Group established the Mitsubishi Estate Group Guidelines on Social Contribution Activities. Each Group company implements its own activities in accordance with the basic policy.

[Social Contribution Activities / Support for Communities > Basic Policy and Approach](#)





Mitsubishi Estate Group Declaration on Customer Respect

The Mitsubishi Estate Group established the Mitsubishi Estate Group Declaration on Customer Respect on April 1, 2018.

[Enhancing Customer Satisfaction > Mitsubishi Estate Group Declaration on Customer Respect](#)





MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Sustainability Vision 2050, articulating the vision it aims to achieve by 2050. In order to realize this vision, the Group has established Mitsubishi Estate Group 2030 Goals for SDGs in its 2030 Long-Term Management Plan. They are positioned as milestones that define various themes and actions in working to achieve the 2050 vision. We are committed to providing even greater value to a wider range of stakeholders in the four key themes of Environment, Diversity & Inclusion, Innovation, and Resilience.

Mitsubishi Estate Group Sustainability Vision 2050

Be the Ecosystem Engineers

We aspire to be a corporate group (=engineers) that provides spaces and infrastructure (=ecosystems) where all actors (individual, corporations, and more) are able to coexist sustainably and thrive together—economically, environmentally, and socially.

→ [The Mitsubishi Estate Group Sustainability Vision 2050 Video](#)

Mitsubishi Estate Group 2030 Goals for SDGs

In order to help realize a sustainable world and provide even more profound value to a wider range of stakeholders, the Mitsubishi Estate Group is implementing world-class initiatives on the four key themes of Environment, Diversity & Inclusion, Innovation, and Resilience.

<p>1. Environment Sustainable urban development that proactively addresses climate change and environmental issues.</p> <p>READ MORE →</p>	<p>2. Diversity & Inclusion Urban development that responds to lifestyle and human resource trends and facilitates active participation for all.</p> <p>READ MORE →</p>
<p>3. Innovation Innovative urban development that continuously renews society.</p> <p>READ MORE →</p>	<p>4. Resilience Dynamic, flexible urban development that builds disaster-resistant communities and prioritizes safety and security.</p> <p>READ MORE →</p>

Material Issues for the Mitsubishi Estate Group (Key areas to pursue in sustainability management)

- 01

Environment
- 02

Globality
- 03

Community
- 04

Diversity
- 05

Declining Birthrate and Aging Population
- 06

Leveraging Existing Properties
- 07

Digital Innovation

[Material Issues of the Mitsubishi Estate Group](#)





MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

Material Issues of the Mitsubishi Estate Group

The Mitsubishi Estate Group implemented internal working units throughout the Group in fiscal 2018 to promote further Group-wide integration of sustainability and management. In the working units, we newly identified the themes that the Group should focus on in consideration of the SDGs as the seven material issues (key issues in sustainability management) as well as the associated opportunities and risks. Then the Group formulated Mitsubishi Estate Group 2030 Goals for SDGs based on these seven material issues. The Group will work to achieve its key themes derived from this process in its Long-Term Management Plan 2030.

Process for Identifying Material Issues

STEP 01 Set out strengths/characteristics of each business unit

- Review process for each business
- Clarified strengths/characteristics (source of value creation) of own company

STEP 02 Identified 55 changes in business environment related to business activities

- Identified social issues and trends, such as the SDGs
- Set out relationships between business processes and social issues and trends, such as the SDGs
- In addition to relationships with business processes, examined social environment and trends from the perspective of the Medium-Term Management Plan (fiscal 2018-2020) and the perspective of the executive office



STEP 03

Identified 24 key social issues and trends we should focus on from the three perspectives of business unit operations, the Medium-Term Management Plan (fiscal 2018-2020), and external evaluations

- Identified business opportunities and risks for each social issue and trend
- Grouped material issues based on opportunities and risks
- Careful review conducted by working group executive office

24 key Social Issues and Trends

- Worsening of climate change
- Exhaustion of existing natural resources and resultant changes in energy configuration in society as a whole
- Increase in frequency of natural disasters (including earthquakes)
- Further penetration of the Internet of Things (IoT) (including virtualization and acceleration of the proliferation of information)
- Increase in e-commerce and omni-channel commerce, and diversification of payment methods
- Economic growth of emerging nations, principally in Asia
- Rise in interest in physical and mental health, medical care, and wellness
- Acceleration of the aging population and changing position of the elderly in society in Japan
- Progress of the social advancement of women and the diversification of society
- Growth in need for social integration and universal design
- Increase in prevalence of aging public infrastructure and housing stock (including vacant housing)
- Changes in lifestyles and work styles
- Deterioration of the natural environment and depletion of natural resources
- Increase in social unease due to terrorism and crime (including risks from the outbreak of infectious diseases)
- Risk of rise in associated costs
- Improvements in artificial intelligence (AI) (including the spread of automated driving technology)
- Progress of globalization (including increases in inbound and outbound tourism and rise in immigration)
- Global population growth and shortage of food supplies
- Decline in the total population and working-age population of Japan
- Emergence of risks in the supply chain (including worsening of human rights issues)
- Increase in number of foreign workers in Japan
- Restructuring and revitalization of regional communities (including regional depopulation and population increases of major cities)
- Promotion of private sector vitality, as a result of the privatization of public facilities
- Diversification of consumption patterns, such as the sharing economy



STEP 04

Implemented dialogue with stakeholders in order to share awareness internally and externally

- Prepared draft of material issues and carried out stakeholder interviews
- Submitted to management
- Carried out interviews with three outside experts for third-party opinions on the draft of material issues submitted to management

* Titles as of December 2018

- Dr. Mika Takaoka (Ph.D. in Economics)
Professor, College of Business, Rikkyo University
- Mari Yoshitaka
Chief Environmental and Social Strategist, Environmental Strategy Advisory Division, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
- Dr. Norichika Kanie (Ph.D. in Media and Governance)
Professor, Graduate School of Media and Governance, Keio University

(In no particular order)

Material Issues of the Mitsubishi Estate Group

01



Environment

02



Globality

03



Community

04



Diversity

05



Declining Birthrate
and Aging
Population

06



Leveraging
Existing
Properties

07



Digital Innovation

Mitsubishi Estate Group 2030 Goals for SDGs

In order to help realize a sustainable world and provide even more profound value to a wider range of stakeholders,
the Mitsubishi Estate Group is implementing world-class initiatives on the four key themes of **Environment**, **Diversity & Inclusion**, **Innovation**, and **Resilience**.



MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

Key Theme 1: Environment

Sustainable urban development that proactively addresses climate change and environmental issues

Related SDGs



Opportunities and Risks

Opportunities	Risks
<ul style="list-style-type: none"> ● Increasing need for acquiring and leasing of real estate with low environmental impact ● Reducing waste accompanying longer demolition/rebuilding time spans due to effective use of existing properties 	<ul style="list-style-type: none"> ● Rise in vacancy rates and decline in sales closing rates and sales prices in the event of a late response amid an increase in the need to acquire and lease real estate with low environmental impact ● Increasing cost for new real estate development due to stronger environmental regulations and for countermeasures due to tightening of standards for repair work



Main Values Provided

- Urban development managed for climate change, waste, and energy
- Efficient and eco-friendly urban development leveraging existing properties

Targets and KPIs

1

GHG Emissions Reduction Targets (revision in March 2022)

Targets approved by the SBT initiative in June 2022



- Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions
- Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions^{*})

* Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.

Renewable Energy Rate Target (revision in March 2022)

Joined RE100

RE100

- Achieve 100% group-wide by fiscal 2025



2

Promote waste recycling and reduction of emissions focusing on food and plastic items

Waste recycling rate

in 2030

90%

Waste disposal

by 2030

**20%
reduction**
(compared to FY2019, per m²)

3

- Promote sustainable timber use

OUR ACTION



**Reducing GHG Emissions
and Promoting Utilization of
Renewable Energy**

[READ MORE →](#)



**Reducing Waste and
Increasing Recycling Rate**

[READ MORE →](#)



**Making Use of Japan-grown
Timber to Promote
Sustainable Use of Forest
Resources**

[READ MORE →](#)



Key Theme 1: Environment

Reducing GHG Emissions and Promoting Utilization of Renewable Energy

Reducing Greenhouse Gases and Promoting Use of Renewable Energy

The Mitsubishi Estate Group set out Group-wide medium- to long-term greenhouse gas emissions reductions targets (approved by the SBTi^{*1} in April 2019) in March 2019. Moreover, in March 2022, the Group formulated new reduction targets in line with the Net-Zero Standard published by the SBTi in October 2021 (Targets approved by the SBT initiative in June 2022). The Group also joined RE100^{*2} in January 2020 and had committed to switching to 100% renewable energy for the electricity used in business by 2050. With the revision of the Group's targets in line with the Net-Zero Standard outlined above, the Group has also renewed its renewable energy rate target to achieve 100% group-wide by fiscal 2025.

These two goals are positioned as important parts of the Environment theme in the Mitsubishi Estate Group 2030 Goals for SDGs, and the Group is working together to deepen its initiatives in these areas.

- *1 The Science Based Targets initiative is a joint initiative by the World Wide Fund for Nature (WWF), CDP (an international NGO that provides investors, companies, cities, states and regions with a global disclosure platform to manage their environmental impacts), UN Global Compact, and the World Resources Institute (WRI). The initiative encourages companies to set greenhouse gas emissions reduction targets based on scientific evidence, which are consistent with the level required under the Paris Agreement (limiting average global temperature rise due to climate change to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.)
- *2 RE100 is a global corporate initiative led by The Climate Group, an international NGO working to accelerate climate action, in partnership with CDP. RE100 brings together influential businesses committed to switching to 100% renewable energy for the electricity they use.



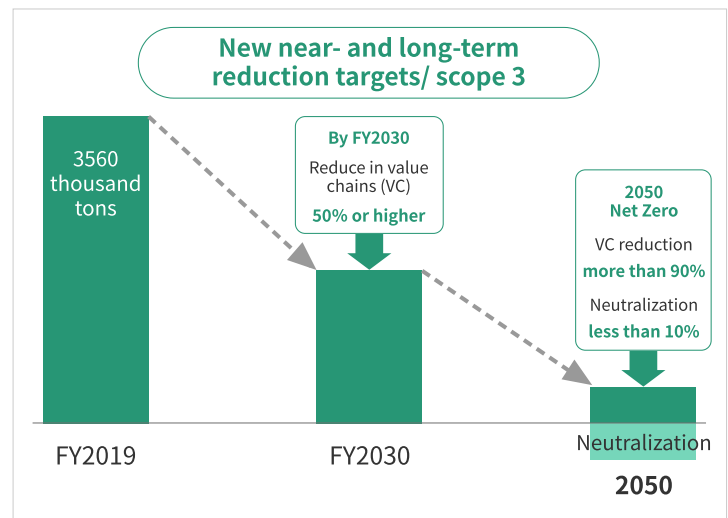
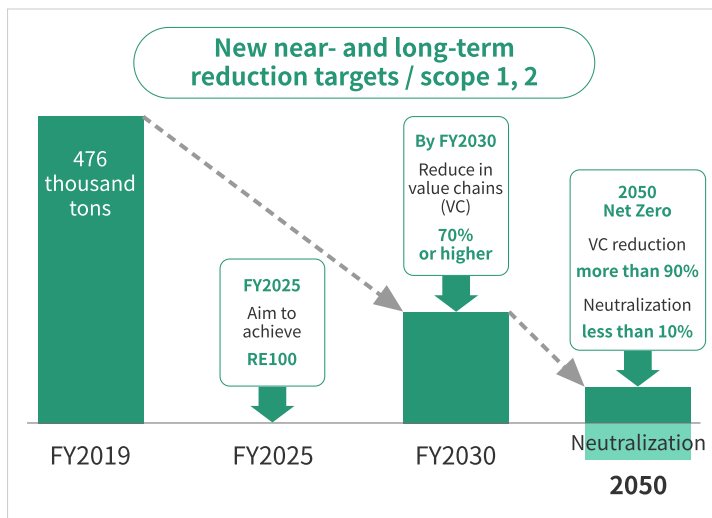
GHG Emissions Reduction Targets (revision in March 2022) (Targets approved by the SBT initiative in June 2022)

- Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions
- Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions^{*})

* Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.



Based on SBTi's new Net-Zero Standard (1.5°C scenario)



Scope-by-scope of the Group's primary sources of emissions and initiatives to reduce and neutralize them

- Scope 1: Direct burning of fuel (gas and heavy oil) from the heating supply business and the operation of emergency power generators**
Of the emissions for FY2020 (base year), nearly all of the Scope 1 emissions resulted from the use of city gas in the heating supply business. Although these emissions reductions are currently unable to be calculated as part of reduction amounts under the SBTi, we will introduce carbon-neutral city gas using credits gained from forest absorption to help neutralize emissions outside the value chain. As of November 2021, Marunouchi Heat Supply Co., Ltd., has replaced all of the city gas it uses at its district heating and cooling plants with carbon-neutral city gas.
- Scope 2: Direct burning of fuel due to use of purchased electricity, steam, cold and hot water, etc.**
Of the emissions for FY2020 (base year), the majority of Scope 2 emissions resulted from electricity consumption. In addition to further introducing renewable energy at our owned properties, we will aim to achieve a high level of environmental performance and energy efficiency at our properties under development. We will also actively pursue the acquisition of Zero Energy Building (ZEB) and Zero Energy House (ZEH) certifications, among others.
- Scope 3: Emissions from other business activities (building construction, use of sold real estate, etc.)**
Of the emissions for FY2020 (base year), Scope 3 emissions mainly resulted from the use of construction materials in building construction and the use of sold products. In September 2021, we opened the Royal Park Canvas Sapporo Odori Park, Japan's first high-rise, hybrid-wooden hotel, which utilizes timber produced in Hokkaido. The amount of lumber used in the structural frames of the Royal Park Canvas Sapporo Odori Park is the largest in Japan, enabling the hotel to curtail approximately 1,380 tons of CO₂ emissions compared with a building made entirely out of reinforced concrete. In this way, the Royal Park Canvas Sapporo Odori Park helps in the fight against global warming.
Emissions derived from construction materials are an issue that we need to address throughout the entire supply chain of development and construction. Accordingly, we will deepen our collaboration with architectural design companies, construction companies, construction material manufacturers, and other stakeholders in an effort to reduce these emissions.
Furthermore, for future emissions from the use of real estate purchased by customers, we are working to introduce renewable energy in such real estate in the same manner as we are doing via our Scope 1 and Scope 2 initiatives at Company-owned properties. We are also taking steps to reduce per-unit emissions via the introduction of energy-efficient equipment. In these ways, we are working to reduce overall emission amounts. Please see the following for details on the CO₂ emissions reduction targets of Mitsubishi Estate Residence Co., Ltd., which handles condominium sales.



Transition to Renewable Energy Sources for 100% of Electricity Used at All Company-Owned Buildings and Commercial Facilities in Tokyo and Other Major Urban Areas

As a new target for achieving RE100, the Mitsubishi Estate Group aims to achieve a renewable energy rate of 100% by FY2025. To that end, we have realized a renewable energy rate of 30% in FY2021 and aim to increase this rate to 50% in FY2022 by transitioning to electricity derived from renewable energy at Company-owned buildings^{*1} in the Marunouchi area and other major urban areas. We adopted the aforementioned new target based on the forecast that we will have achieved around a 50% renewable energy rate by FY2022. The renewable electricity introduced by the Group complies with RE100, combining green electricity and FIT non-fossil-fuel energy certificates with tracking information. Since the buildings will be powered entirely by renewable electricity,^{*2} the tenants of said buildings will effectively be deemed to be using renewable electricity.

*1 “Company-owned buildings” refers to buildings and commercial facilities of which the Company owns a 50% equity stake or higher, excluding buildings owned in the capital-recycling business and buildings slated to be redeveloped. Regarding buildings and commercial facilities of which the Company owns less than a 50% equity stake, the Company intends to introduce renewable energy-based electricity at certain properties in collaboration with building operators and other parties.

*2 Electricity supplied by gas cogeneration systems, etc., is generated using carbon-neutral city gas.

[List of Buildings introducing Renewable Energy](#)





Development of Mitsubishi Estate's First Logistics Facility to Meet ZEB Standards

Logicross Zama Komatsubara, a logistics facility completed in March 2022, became Mitsubishi Estate's first facility to receive Zero Energy Building (ZEB)^{*1} certification under the Building-housing Energy-efficiency Labeling System (BELS)^{*2}. Also, we have installed solar power generation equipment on the facility's rooftop and are running a range of initiatives, such as utilizing a power purchase agreement (PPA)^{*3} model in-house consumption scheme using the power generated at the facility.

Going forward, Mitsubishi Estate plans to obtain BELS certification as a general principle for all logistics facilities built after Logicross Ebina, completed in November 2020.

*1 Buildings with annual primary energy consumption of net zero or less.

*2 A third-party certification system for evaluating and labeling energy efficiency based on the Ministry of Land, Infrastructure, Transport and Tourism's Evaluation Guidelines for Labeling Energy Efficiency Performance For Non-Residential Buildings.

*3 The second initiative for the Logicross series of facilities carried out together with SymEnergy Inc., a PPA operator.



Logicross Zama Komatsubara



Delivering the Industry's First ZEH Condominiums Generating Virtually Zero CO₂ Emissions from Electricity Consumption

With The Parkhabio Bunkyo Edogawabashi condominiums for lease Mitsubishi Estate Residence has delivered the industry's first ZEH (net zero energy house) condominiums generating virtually zero CO₂ emissions from electricity consumption. This property is the first in The Parkhabio brand of condominiums for lease to adopt the ZEH-M Oriented standards, recommended for high-rise housing with six or more floors.

Improving heat insulation and reducing consumption of primary energy, in addition to installing solar panels and utilizing non-fossil certificates* from renewable energy sources, enable the building to be powered by renewable energy, with the building as a whole generating virtually zero CO₂ emissions through electricity consumption. These efforts have reduced the building's total annual CO₂ emissions by 63% compared with previous levels (source: Mitsubishi Estate Residence Co., Ltd.). In principle, moving forward we plan to introduce the "soleco+" electricity supply system—which combines solar power generation and non-fossil certificates—as standard for The Parkhabio series.

In addition, Mitsubishi Estate Residence aims to make ZEH-M Oriented features (reduction of 20% or more in annual primary energy consumption) a minimum standard in all newly-built condominiums offered for sale of lease by fiscal 2025. This initiative will make it possible for customers to reduce energy use, making a significant contribution to reducing CO₂ emissions.

*1 The non-fossil fuel value of electricity generated from non-fossil fuel sources, such as solar or wind power, is isolated and presented in the form of certificates which can be traded.

*2 Excludes some properties such as those which are joint ventures.



The Parkhabio Bunkyo Edogawabashi (artist's rendering)



Key Theme 1: Environment

Reducing Waste and Increasing Recycling Rate

Initiatives at Mitsubishi Estate Headquarters

Under "Environment," one of the key themes in Mitsubishi Estate Group 2030 Goals for the SDGs, the Mitsubishi Estate Group has set targets of 90% for waste recycling and a 20% reduction in waste disposal (compared to FY2019, per m²). The Group is also aiming to recycle 100% of waste in the Marunouchi area (Otemachi, Marunouchi, and Yurakucho).

To meet these targets, in addition to introducing innovative technologies and revising methods of waste disposal, it is important for each and every one of us to make a conscious effort to reduce and sort waste, ensure appropriate recycling, and improve the recycling rate for resources. Japan's Basic Act on Establishing a Sound Material-Cycle Society stipulates a user-responsibility approach under which the waste generator bears responsibility for reduction, reuse, and recycle (3Rs). The Mitsubishi Estate Group is committed to collaborating with stakeholder tenants on 3R initiatives in order to work together to pass on a better society to the next generation.

Since February 2021, Mitsubishi Estate has been implementing an initiative to sort waste into 15 categories at its headquarters. In asking tenants to strengthen the sorting of waste, we worked with a manufacturer of fixtures to design and introduce a trash station that can hold 15 separate bins. The specifications will allow the bins to be integrated into a cabinet and, for hygiene considerations, there will be no flaps on the bin openings.

Examples of initiatives aimed at strengthening sorting of waste at Mitsubishi Estate headquarters

- **Creating an environment that facilitates sorting of recyclable waste:**

As most of the waste disposed of as combustibles is actually recyclable, trash stations that allow waste to be sorted into 15 separate bins have been provided in place of trash bins that were dedicated solely for combustibles.

- **Promoting recycling of mixed paper:**

Mixed paper that is not soiled or specially processed, such as envelopes and paper bags, can be recycled into toilet paper, and better sorting is effective for reducing combustible waste in offices. At the trash stations, mixed paper bins have been installed next to the combustible bins to make sorting easy.



- **Promoting recycling by sorting PET bottles into three separate bins:**

Empty PET bottles are sorted into the PET bottle bin, the caps go into a dedicated container, and the labels go into the waste plastic bin.

- **Establishing strict rules for sorting and disposing of lunchbox waste:**

The rules for sorting and disposing of waste in shared office kitchens have been enforced. Empty plastic lunchbox containers go into the waste plastic bin, leftovers go into the food waste bin, and disposable chopsticks and paper napkins go into the combustible bin. Leftover drinks and ice are disposed of in the sink.

See the following for the list of the 15 waste categories. (Sustainability Guide Vol.2)

Waste Separation at a Glance (PDF 1.28MB)





Initiatives in Collaboration with Tenants

Launch of Circular City Marunouchi, an Urban Environment for Resource Recycling

In April 2022, the Mitsubishi Estate Group launched Circular City Marunouchi, an initiative to promote recycling of resources in the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts).

In cooperation with restaurants in the Marunouchi area, we are promoting the “Marunouchi to Go Project” to distribute containers (to go boxes) and paper bags free-of-charge to enable takeaways of leftovers, which will lead to reductions in food loss. The paper bags are made from 100% recycled cardboard from offices in the Marunouchi area, and the containers are eco-friendly, being made from bagasse (strained lees from sugarcane).

We have also been working with Suntory Beverage & Food Limited and Coca-Cola Bottlers Japan Inc. to collect plastic bottles discarded in 24 office buildings in the area and launched a new Bottle to Bottle Recycle Circulation program for recycling plastic bottles. By recycling approximately 600 tons of plastic bottles annually, it is calculated that CO2 emissions throughout the value chain can be reduced 60% compared to the manufacture of raw materials sourced from petroleum.

We will continue to promote environmentally-friendly urban development in collaboration with diverse stakeholders, including the employees of tenants as well as visitors to the area.

Initiative for Weighing the Waste of Retail Tenants

The Mitsubishi Estate Group believes that the cooperation of stakeholders, including tenants, in addition to the Group itself, is essential in achieving waste recycling rate and reducing waste disposal targets set under “Environment,” one of the key themes in the Mitsubishi Estate Group 2030 Goals for the SDGs, as well as the targets for the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts), and a waste recycling rate of 100%. As part of our collaboration with stakeholders, we began weighing the waste of each retail tenant in three buildings, starting with the Marunouchi Building in fiscal 2020, followed by the Shin-Marunouchi Building and the Marunouchi Park Building. We have been working with tenants to ensure thorough sorting of waste by assigning staff to support sorting, preparing manuals and videos, and raising awareness. As a result, the recycling rate for food waste increased 4.9% (total for three buildings compared to fiscal 2020). In the future, we will continue to increase the number of buildings taking part in the initiative while also renewing waste processing rooms and in-building garbage bins and reviewing their operation.

Going forward we will continue to promote environmentally-friendly urban development by striving to increase the recycling rate and reduce the volume of waste disposal with the understanding and cooperation of tenants to achieve a sound material-cycle society.



GOTEMBA PREMIUM OUTLETS® food residue from restaurants used as recycled compost for in-mall greening

In September 2021, GOTEMBA PREMIUM OUTLETS® began a food recycling initiative contributing to the formation of a recycling-oriented society. Producing recycled compost from food residue generated within the mall reduces waste and enables such residue to be used as recycled food resources on the premises. Thus far, we have created three compost heaps within the mall from food residue generated by eight participating restaurants. This food residue is collected, biodegraded by microorganisms, and composted at a recycling center. The Company uses the recycled compost as a planting compost for mall-greening efforts, including at the Flower Terrace in GOTEMBA PREMIUM OUTLETS®.

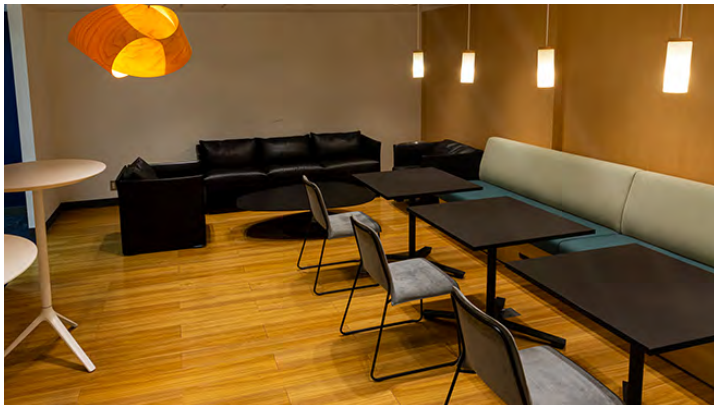


GOTEMBA PREMIUM OUTLETS®

Launch of Ecofurni, a Collection and Sales Service for Used Office Furniture

Mitsubishi Estate launched in March 2022 full-scale operation of Ecofurni, a service for collection and sale of used office furniture. Under this initiative office furniture that is no longer needed, due to office layout changes, etc., is collected from companies, inspected and cleaned in a directly-managed showroom-cum-warehouse near Yurakucho Station, where it is displayed for sale as used furniture. Adopted through the Mitsubishi Estate internal new business proposal system, the service was well received in trial operations from summer 2021, leading to its full-scale operation.

The used furniture at Ecofurni is also used in furnished offices where furniture is leased together with the office and subscription services for furniture and appliances. Products that have still not been shipped after a certain period of time are reused and recycled as much as possible rather than being treated as industrial waste. We will continue to focus on this environmental recycling-oriented business model that can contribute to both providing services to support flexible workstyles and realizing a sustainable society.



Examples of furnished offices using used furniture from Ecofurni

Ecofurni (Japanese only)



Key Theme 1: Environment

Making Use of Japan-grown Timber to Promote Sustainable Use of Forest Resources

Promoting Utilization of CLT and Other Materials to Further Expand Use of Japan-grown Timber

Japan's forests account for some two-thirds of the country's land mass, with their 40% being planted forests. Many such forests were planted after World War II, and today more than half of these planted forests are five decades old or more, having reached their harvestable age. Expanding the use of timber sourced from these forests not only helps promote Japanese forestry, which is facing a shortage of workers in the industry, but is also thought to contribute to the cycle of Japan's natural forests.

Based on this perception, the Mitsubishi Estate Group has set out a goal to promote sustainable timber use under the key theme of Environment in the Mitsubishi Estate Group 2030 Goals for SDGs and is promoting the utilization of Japan-grown timber and certified timber.

The Mitsubishi Estate Group has promoted the use of Japan-grown timber in construction projects for many years, including the active use of small-diameter trees and timber from forest thinning in 2×4 wooden-frame houses. In recent years, the Group has also been focusing efforts on expanding the use of cross laminated timber (CLT).

CLT consists of large-dimension wooden panels formed by laminating layers of sawn lumber perpendicular to one another. Compared with conventional wooden panels, its strength is more stable, and it also offers outstanding heat insulation. It is gaining attention as a construction material that will expand the applications of timber since it can be used not only for low-rise detached housing, but also for large-scale structures such as condominiums and office buildings.

Mitsubishi Estate formed the CLT Wood Promotion Unit, a dedicated department in fiscal 2017. The unit is working on research and development aimed at commercialization of CLT and has already implemented several projects. In order to further accelerate the initiative, Mitsubishi Estate established MEC Industry Co., Ltd. in January 2020. The company engages in the production, processing, manufacturing, assembly, and sale of timber building materials, primarily 2×4s and CLT, utilizing the timber grown locally in Kagoshima, Miyazaki, and Kumamoto prefectures, as it aims to contribute to the goal of promoting sustainable timber use.



CLT material image (courtesy of the Japan Cross Laminated Timber Association)



Completion and Commencement of Full-Scale Operation of MEC Industry's Own Plant

MEC Industry was established in January 2020 with investment from Mitsubishi Estate Co., Ltd., TAKENAKA CORPORATION, DAIHO CORPORATION, MATSUO CONSTRUCTION Co., Ltd., NANGOKU CORPORATION, KENTEC CORPORATION, and Yamasa Mokuzai Co., Ltd. with the goal of realizing a society that promotes effective use of wood. Combining the strengths of the seven companies and having its own plant enables integration of the previously fragmented business flow from manufacturing through to sales, making it possible to provide high quality products at a low cost.



MEC Industry's Kagoshima Yusui Plant

Since being established in January 2020, MEC Industry has been moving ahead with the construction of a plant in Yusui, Kagoshima Prefecture, to serve as its own production site in order to make use of Japan-grown timber. The plant, which handles everything from procurement of logs and sawing through to manufacturing, processing, and sales commenced full-scale operation in June 2022.

MEC Industry handles everything at its own plant from procurement of logs to manufacturing of CLT and 2×4s as well as manufacturing of building materials using wood materials and of prefabricated housing. Expanding the use of Japan-grown timber through these products fixes carbon absorbed by forests in urban areas helping to realize a decarbonized society. In addition, it is also expected to function as green infrastructure and contribute to maintaining and enhancing biodiversity and natural capital by promoting a cycle in Japan's planted forests, which are reaching optimum harvestable age.

The MEC Industry initiative is the realization and commercialization of an idea adopted under Mitsubishi Estate's internal new business proposal system in 2016. We will continue to put efforts into sustainable cities by promoting effective use of wood, which can contribute to the future global environment, with the aim of serving as a bridge between cities and forests.



Japan's First High-Rise Concrete-Wood Hybrid Hotel Using Hokkaido-Grown Timber

Mitsubishi Estate debuted The Royal Park Canvas – Sapporo Odori Park, Japan's first high-rise hybrid hotel built of reinforced-concrete and wood using Hokkaido-grown timber, on October 1, 2021. Located in Sapporo, Hokkaido, the hotel will be operated by Royal Park Hotels and Resorts. The property features a hybrid wood building with the lower and middle floors constructed from reinforced-concrete with wooden ceilings; one floor in the mid-rise section built with a hybrid reinforced-concrete and wooden structure; and the upper floors constructed using an entirely wood-built structure. The property is a new type of hotel never seen before which brings together all the advances in wood construction made by the Mitsubishi Estate Group to date.



A lounge furnished with Hokkaido-grown timber

Approximately 80% of the wood used as a structural material is Hokkaido-grown timber. The use of Sakhalin fir, which is the most abundant resource in any of Hokkaido's plantations, in various parts of the building, including the CLT flooring, contributes to promoting local industry and recycling forest resources. The interior designs of the hotel's guest rooms and lobby also make extensive use of timber. Further, the hotel is actively promoting local production for local consumption based on the "Hokkaido Experience," offering food and drink focusing on locally produced products. The project was selected for inclusion by the Ministry of Land, Infrastructure, Transport and Tourism in the Fiscal 2019 2nd Pilot Projects for Sustainable Buildings (Wooden Structure).

Miyako Shimojishima Airport Terminal

Miyako Shimojishima Airport Terminal opened in March 2019 on Miyako Island, Okinawa, where there is abundant nature. It is the first airport terminal in Japan to utilize CLT as a structural material for the roof. The CLT was produced with regional wood designated by Okinawa Prefecture, thereby contributing to the vitalization of the regional forestry industry. The project has also implemented a range of energy-saving measures and earned the Net Zero Energy Building (ZEB) recognition, the first for airport terminals in Japan.



Check-in lobby using CLT as structural material for the roof



MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

Key Theme 2: Diversity & Inclusion

Urban development that responds to lifestyle and human resources trends and facilitates active participation for all

Related SDGs



Opportunities and Risks

Opportunities

- Increasing demand for facilities and services to meet needs of global customers
- Alleviation of labor shortages through acceptance of foreign workers into Japan
- Rise in demand for facilities and services that respond to diverse lifestyles, workstyles, and consumption styles, such as the acceleration of teleworking and freelance working
- Growth in demand for facilities and services tailored to new needs due to demographic changes
- Increasing demand for facilities and services tailored to the concept of universal design, such as barrier-free layouts

Risks

- Increasing country-specific risks and compliance risks, including supply chain management
- Declining demand for facilities and services with inadequate provision for diversified needs
- Decreasing demand for facilities and services accompanying demographic changes (decline in working population, etc.)
- Decreasing user numbers and rise in vacancy rates in the event of a late response amid an increase in demand for facilities and services tailored to the concept of universal design, such as barrier-free layouts



Main Values Provided

- Borderless urban development with respect for diverse backgrounds worldwide
- Socially inclusive urban development
- Abundant and comfortable urban development responding to demographic and lifestyle changes

Targets

- Strengthen hospitality and realize stress-free cities
- Respect different lifestyles, local customs, religions, and sexual orientation
- Use timber that complies with the Sustainable Sourcing Code or equivalent and establish traceability of timber to be used in businesses

- Ratio of female managers: Over 20% by FY2030, 30% by FY2040, 40% by FY2050
- Ratio of male employees taking childcare leave of absence: Over 75% by FY 2025, 100% by FY2030
- Ratio of female employees taking childcare leave of absence: 100% every year until FY2030

OUR ACTION



Initiatives to Support Active Participation by Diverse People

[READ MORE →](#)



Initiatives to Address Globalization

[READ MORE →](#)



Action on Human Rights and Supply Chain

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Creating Workplaces with Diversity

[READ MORE →](#)



Key Theme 2: Diversity & Inclusion

Initiatives to Support Active Participation by Diverse People

Providing an Environment where People with Developmental Disabilities Can Live with Ease at The Green at Florham Park

Rockefeller Group International is the core company of the Mitsubishi Estate Group's operations in the United States. Engaging primarily in the real estate development and ownership and investment management businesses, it plays a key role in driving the Mitsubishi Estate Group's globalization. Rockefeller Group has been working in cooperation with its joint venture partners on The Green at Florham Park, a large-scale, mixed-use project combining offices, residential housing, and a hotel in Florham Park, New Jersey.



Exterior view of The Green at Florham Park

In October 2020, Rockefeller Group completed development of a 62-unit housing project dedicated to serving people with developmental disabilities seeking independent living opportunities and a high quality of life. In the past, there has been a lack of places where those with developmental disabilities can enjoy vibrant lives. The project has provided housing and an environment conducive to well-being and thereby enables the residents to enjoy their lives as active members of their local community.

This is an initiative which embodies the aim of contributing to a truly meaningful society through urban development as set out in the Mitsubishi Estate Group's philosophy, and recognized by Mark Taylor, the Mayor of Florham Park, as a "wonderful project for our community."

Video featuring the supportive housing project





Sunshine City Barrier-Free Information Website

In November 2020, Sunshine City Corporation launched the Sunshine City Barrier-Free Information Website with the aim of ensuring a complex that anyone can enjoy. The website consolidates barrier-free information for the entire facility, enabling not only wheelchair users but also customers with baby strollers to visit with peace of mind.

A survey of the actual barrier free conditions within the complex was conducted in cooperation with the Japan Accessible Travel Organization and the organization WheelLog to check access from stations, accessibility to common areas and major facilities within the complex as well as ease of use of amusement facilities and restaurants. Photographs documented wheelchairs actually being used in restaurants.

In the production of the website, care was taken to create a website that can be easily used by people in need of such information with help from Mirairo Inc., which provides universal design solutions. The website, which is now available, is designed with tabs for Play, Eat, Priority Restrooms, Barrier Free Information, and Access so that each type of information can be checked in a way that is easy to understand.



Sunshine City Barrier Free Information Website



Signing a "Female-Friendly Urban Development" Pact with Toshima-ku

Sunshine City has entered into a Female/Family-Friendly Partnership Pact (FF Pact) with Toshima-ku with the basic concept of "a city that lets me live my own way." Under the agreement, the two parties agree to collaborate on the following six themes:

1. Diverse life styles and work styles for women and the working generation.
2. Raising children and nurturing the next generation.
3. Health promotion and dietary education.
4. Supporting art and culture.
5. Realizing diversity.
6. Other wide-ranging supports for the child-raising and working-generation.



FF Partnership Pact

Sunshine City works to further strengthen its efforts to create urban environments that are easy to live and work in and let everyone live their own way.



Marunouchi Health Company, an App to Help Drive Health Awareness and Actions Among Companies and Individuals

Mitsubishi Estate established the Mitsubishi Estate Health Management Declaration in October 2016, articulating its commitment to contributing to society by promoting the health for the people who live, work, and relax in the city as well as its own employees.

As part of such initiatives, Mitsubishi Estate began providing the Marunouchi Health Company smartphone app aimed at improving corporate and individual health awareness and activities.



The Marunouchi Health Company app allows users to monitor their daily activities and receive original articles about health and information on health-related events. The more health-related activities users engage in, the higher their positions (health rank) advance within the app, which allows them to participate in original and special health-related experiences, such as "general manager-only" seminars and "executive-only" health-related tourism experiences.

The app is free of charge, and Mitsubishi Estate will continue to realize well-being and provide information throughout the service.

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 has been operating since 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.



Bright entrance of Inclu Marunouchi

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 staffed with support staff and providing consulting services. Mitsubishi Estate works closely with companies using the center and develops new ideas and programs to create a working environment where employees with disabilities further demonstrate their abilities.

→ [Inclu Marunouchi \(Japanese only\)](#) 



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

Businesses urgently need to address the shortage of daycare centers to support their child-rearing employees and avoid a loss or shortage of human resources resulting from extensions of childcare leave or resignation. Further, as many businesses make efforts directed at workstyle reform, it will be necessary to embrace further flexible workstyles through the introduction of telecommuting and utilization of diverse facilities and infrastructure. To meet these social needs, and to provide tenant companies and employees in the Marunouchi area a diversity of high-quality services, 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. It is the first such endeavor for the Mitsubishi Estate Group. In addition, Cotooffice Sanno Park Tower opened as a daycare center for residents of the Sanno Park Tower. Through the Cotooffice, Mitsubishi Jisho Property Management responds to the needs of those working for tenants in buildings managed by the company and provides a safe and secure childcare service with 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 in Shin-Kokusai Building

These facilities provide 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 that take advantage of the unique features the Marunouchi area offers. These include an intellectual training program created in collaboration with Mitsubishi Ichigokan Museum, Tokyo, a nature program that gives children the chance to experience nature in the Marunouchi area, a green oasis within the city, and English programs for children. Such programs and services will not be limited to the Marunouchi area, but will be extended to buildings across Japan owned and managed by the Mitsubishi Estate Group.



Cotooffice in Sanno Park Tower

Workplace Childcare Center at the Gotemba Premium Outlet

The Gotemba Premium Outlet has over 300 tenants, each of which has many employees. However, there are no childcare facilities nearby because it is located far from an urban area. There was the need to create an environment where parents could work with peace of mind while raising their children.

Tenants complained that a lack of childcare made returning to work after childcare leave difficult. To resolve their concerns, Mitsubishi Estate-Simon, the operating company, opened an internal childcare center in September 2017. Anyone working in the facility can use the center regardless of their form of employment. It is also available to everyone in the community.

Reaction from users has been positive, with comments including, "I can work harder when my children are close by," and "I chose to work at the Outlet because they have a daycare center." The center both improved the work-life balance of the workers and helped the tenants secure human resources.



Key Theme 2: Diversity & Inclusion Initiatives to Address Globalization

Launch of WELL ROOM Healthcare Service Available in Multiple Languages

Mitsubishi Estate founded WELL ROOM Co., Ltd., and began the WELL ROOM healthcare service, available in multiple languages, in November 2021. Primarily targeting small and medium-sized enterprises and start-up companies, WELL ROOM provides not only referrals to medical institutions offering health checkups but also mental health and industrial physician consulting services to people who speak different languages and who are from various cultures, in order to realize comprehensive healthcare management for employees regardless of their nationality.

Through this service, we will alleviate the fears and anxieties often felt by non-Japanese people working in Japan regarding medical treatment and healthcare while helping mitigate the risk of non-Japanese people taking a leave of absence or resigning from their positions by reinforcing our efforts in relation to mental healthcare, which has been in the spotlight as a result of the COVID-19 pandemic.



WELL ROOM website pages



Enhancing Universal Design of JNTO Tourist Information Center (TIC) for Overseas Visitors

Commissioned by the Japan National Tourism Organization (JNTO), Mitsubishi Estate has been operating the JNTO Tourist Information Center for overseas visitors (JNTO TIC) in the Marunouchi area since January 2012.

Since its establishment, Mitsubishi Estate has put efforts into universal design that can be easily accessed by all people including overseas visitors that are elderly or have disabilities. In April 2019, Mitsubishi Estate further enhanced the universal design in terms of both the physical and human environment. In light of the recent increase in the number of elderly and disabled overseas visitors to Japan, Mitsubishi Estate entrusted supervision of the improvements to Inclu Marunouchi, a facility that supports employment for people with disabilities in the Marunouchi area, while also referring to feedback from travelers with disabilities.

In the physical environment, Mitsubishi Estate introduced tactile paving and Braille Neue, a new style of braille that can be read with both the eyes and the fingers by overwriting letters onto braille. Mitsubishi Estate also improved the human environment, which includes the staff of JNTO TIC taking the Universal Manners Test (UMT).

As a progressive tourist information service that can be used in comfort by all visitors to Japan, JNTO TIC will also work to share its knowledge on support for universal design in such ways as hosting inspection tours by tourism information centers from all over Japan.



Braille Neue, a new style of braille that can be read with both the eyes and the fingers



Staff from Inclu Marunouchi checking the braille

→ [Inclu Marunouchi, a Center for Supporting the Employment of People with Disabilities](#)



Key Theme 2: Diversity & Inclusion Action on Human Rights and Supply Chain

Conducting Corporate Human Rights Due Diligence to Engage in Business Activities with Respect for Human Rights

The Mitsubishi Estate Group has set diversity & inclusion as one of the key themes for the realization of the Mitsubishi Estate Group 2030 Goals for SDGs. Respect for human rights is an essential element in the realization of a sustainable world. In order to fulfill its duty to respect the basic human rights of all stakeholders, the Group formulated the Mitsubishi Estate Group Human Rights Policy in April 2018 and conducted corporate human rights due diligence. Taking the results into consideration, the Group decided to implement the following initiatives to provide solutions for social issues.

1. Using sustainably-sourced timber for concrete formwork panels

The concrete formwork panels^{*1} used in construction of offices and housing are made of lumber imported from Southeast Asia countries such as Malaysia and Indonesia. NGOs and other institutions have said that procurement of some of these materials involves illegal logging, including the taking of indigenous peoples' lands and the destruction of the environment.

From the perspectives of human rights and environmental protection, the Mitsubishi Estate Group uses timber that complies with the Sustainable Sourcing Code^{*2} (certified lumber or Japan-grown timber) or equivalent as the timber in its concrete formwork panels. The Group aims to achieve a usage rate of 100% by 2030.

*1 The plywood used as the formwork for pouring of ready-mixed concrete when constructing buildings.

*2 The code, in which international agreements and guidelines for sustainability in different sectors are used as a reference, specifies guidelines and methods of operation aimed at implementing sustainability-oriented procurement, among other matters.



Usage rate of lumber that complies with Sustainable Sourcing Code for Timber or equivalent



Example of formwork panels in use

2. Respect the human rights of foreign technical interns

The Group will request its suppliers to instruct and make known to their associates, where it is assumed that many technical interns work, matters in the activities of technical interns that often go unnoticed, such as issues related to pay and daily life, which were revealed in interviews conducted with foreign technical interns.

3. Corporate human rights due diligence concerning overseas businesses

When considering business activities in Asia, where there are many cases of human rights violations in general, the Group will conduct corporate human rights due diligence using checklists to confirm whether there were any issues such as forced evictions in the area. The result will be used in decision-making when participating in business activities.

Human Rights Initiatives





Ensuring Traceability in Newly-Built Condominiums for Sale

In its newly-built condominiums for sale, Mitsubishi Estate Residence is using concrete formwork panels^{*1} based on sustainable sourcing standards for timber and to ensure traceability.

To ensure traceability, all companies in each stage of distribution, including logging and supply, must be certified. Mitsubishi Estate Residence has been working to ensure traceability by using timber that has obtained FSC forest management certification, which confirms that forests are properly managed, and a FSC chain of custody (CoC) certification, which verifies that timber produced in FSC-certified forests is managed and processed appropriately in the subsequent stages of distribution. However, there were still many companies ranging from formwork processors to construction companies that have not obtained CoC certification. This was an issue because certification doesn't cover the entire distribution chain, which meant that traceability was not completely ensured.

To address this issue, Mitsubishi Estate Residence has started an initiative to ensure traceability throughout the supply chain by building a scheme to obtain third-party certification from Japan Gas Appliances Inspection Association, a third-party certification body, based on the use of materials certified under the Programme for the Endorsement of Forest Certification (PEFC), a global alliance of national forest certification systems that mutually endorses their certification systems. The initiative commenced with The Parkhouse Komazawa Residence, which was completed in December 2021, and the traceability of the timber in concrete formwork panels in all buildings will be ensured in fiscal 2030. In order to strengthen the initiative, Mitsubishi Estate Residence will also aim to obtain international certification in addition to the third-party certification method. At The Parkhouse Takanawa Matsugaoka, which went on sale in July 2021, the company obtained FSC^{*2} project certification for the supply chain component. This is a worldwide first-case^{*3} of obtaining project certification based on FSC standards for concrete formwork panels, and has been achieved through cooperation with Kiuchi Construction Co., Ltd.

As a leading company in the newly-built condominiums for sale industry, Mitsubishi Estate Residence is working to make this an industry-wide initiative by communicating the issues and solutions both internally and externally.

*1 The plywood used as the formwork for pouring of ready-mixed concrete when constructing buildings.

*2 Forest Stewardship Council®: An independent, non-profit organization that promotes responsible management of forests worldwide and operates an international forest certification system.

*3 According to research by Mitsubishi Estate Residence

See the following press releases for more details.

Enhancing Traceability of Concrete Formwork Panels Used in Newly Built Condominiums for Sale – Obtaining a World-First FSC® Project Certification for Concrete Formwork Panel (Japanese only) (PDF 1.3MB)

PDF

Using Concrete Formwork Panels Based on Sustainable Sourcing Standards and Ensuring Traceability in Newly Built Condominiums for Sale (Japanese only) (PDF 869KB)

PDF



Promoting Efforts in Supply Chain Management

In order to help realize a sustainable and truly meaningful society through its business activities, the Mitsubishi Estate Group believes it is important to promote efforts across the supply chain. As such, the Group established the Mitsubishi Estate Group Supplier Code of Conduct based on the Code of Conduct and Guidelines for Conduct. The Supplier Code of Conduct has been published on the corporate website, and disseminated to the Group's major business partners. It sets out obligations that suppliers are required or expected to fulfil, which include compliance with laws and regulations, respect for human rights, respect for local communities and indigenous peoples' rights, occupational health and safety, practice of corporate ethics, protecting the environment and reducing environmental impact, guaranteeing information security and establishing a risk management system.

The Group asks its suppliers to also strive to disseminate this Code of Conduct to their business partners so that they understand and cooperate with its spirit and content, and thereby continue to promote efforts to fulfill its social responsibility across the supply chain with the aim of realizing a sustainable society.

Establishment of Mitsubishi Estate Group Supplier Code of Conduct

[Establishment of Mitsubishi Estate Group Supplier Code of Conduct](#)



Notification in and outside of the Group on the Supplier Code of Conduct

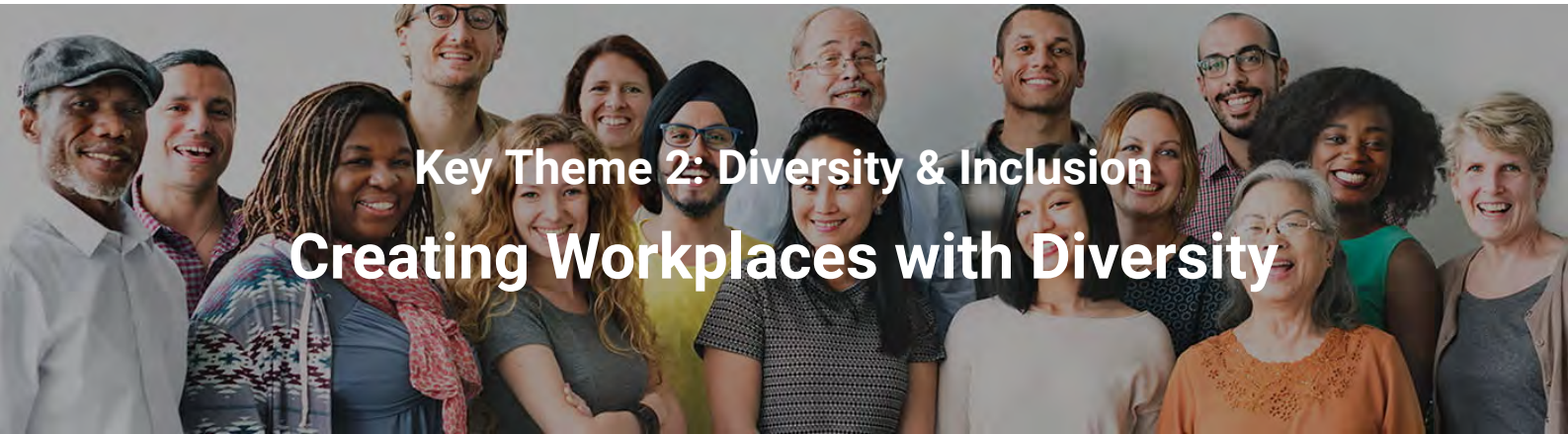
[Notification in and outside of the Group on the Supplier Code of Conduct](#)



Conducting Self-assessment Questionnaire (SAQ) on Suppliers with High Sustainability Risk

[Conducting Self-assessment Questionnaire \(SAQ\) on Suppliers with High Sustainability Risk](#)





Key Theme 2: Diversity & Inclusion Creating Workplaces with Diversity

Initiative Policies

The Mitsubishi Estate Group recognizes that respect for human rights and accommodation of diverse human resources and workstyles are crucial to management and business activities. Accordingly, the Mitsubishi Estate Group Guidelines for Conduct include provisions related to respect for human rights and diversity and empowerment of individuals, and the Mitsubishi Estate Group Human Rights Policy has been established to direct steadfast efforts based on these guidelines. Based on this human rights policy, the Group has formulated plans for specific human rights themes such as the action plan in accordance with Japan's Act on the Promotion of Female Participation and Career Advancement in the Workplace formulated for the purpose of empowering female employees. Moreover, based on the opportunities and risks described in the Mitsubishi Estate Group 2030 Goals for SDGs, we have established KPIs and work actively to develop various programs to form the foundation for challenge and innovation by employees.

The Group is also focusing efforts on enhancing personnel programs with awareness about ease-of-working for a variety of life stages, well-being, and work-life integration*. There is a particular emphasis on developing an environment enabling anyone, regardless of gender, position, form of employment, age, and other attributes, to express their thoughts freely and engage in dialogue and opinions in discussions within the company (realization of diversity in opinions).

We will continue incorporating feedback from employees while we strive to create a vibrant organization that allows even more diverse human resources to play active roles with diverse workstyles and create change, leading to sustainable growth for the Mitsubishi Estate Group.

* Achieving comprehensive fulfillment in both work and life without barriers separating the two



Targets, Results, and Main Initiatives

Percentage of female managers (Scope: Mitsubishi Estate Co., Ltd. *1)

● Targets:

- Over 20% by FY2030, 30% by FY2040, and 40% by FY2050

● Results:

- FY2021: 6.6% (as of April 1, 2021); FY2020: 5.8%

● Initiatives

- Raised the percentage of female employees accounted for by assistant manager-level employees eligible as candidates for management positions
- Plans in place to implement a survey and introduce measures to promote gender diversity

Sustainability Activities (ESG) > Social > Promoting Diversity > Empowerment of Women



Rate of use of male employees taking childcare leave of absence (Scope: Mitsubishi Estate Co., Ltd. *2)

● Targets:

- Over 75% by FY2025 and 100% by FY2030

● Results:

- FY2021: 75.5%; FY2020: 64.9%

● Initiatives

- Disclosed the percentage of male employees taking childcare leave
- Encouraged the taking of childcare leave (periodically issued literature on taking childcare leave to male employees with newborns while encouraging employees who had yet to take childcare leave to discuss doing so with their superiors)
- Facilitated roundtable discussions among male employees with experience of taking childcare leave (held roundtable discussions with male employees who have taken childcare leave to share their experiences with fellow Company employees)
- Create and promote awareness of a handbook on pre- and post-childbirth leave and childcare leave summarizing childcare and other types of leaves of absence and procedures for leave takers to follow

● Plans in place to implement the following initiatives

- Monitor the ratio of male employees taking childcare leave (contact male employees who have not taken childcare leave for more than a certain period after the birth of their child and confirm their intentions and other relevant information)



Rate of female employees taking childcare leave of absence (Scope: Mitsubishi Estate Group^{*3})

● Targets:

- 100% every year until FY2030

● Results:

- FY2021: 98.7%; FY2020: 100%

● Initiatives

- Provided a handbook offering support regarding pregnancy, childbirth, and reinstatement to work
- Carried out consultation sessions
- Held platforms (such as roundtable discussions and lectures) offering information helpful to achieving a work–life balance and developing a career
- Carried out interviews for employees with their department and with the Human Resources Department when they are reinstated to work following childcare leave
- Plans in place to set up a working group for promoting the active participation of women in the workplace to hold events and other activities in relation to creating networks and navigating life events

Sustainability Activities (ESG) > Social > Promoting Diversity



*1 Scope of targets changed to Mitsubishi Estate in conjunction with their upward revision in FY2022

*2 Scope of targets changed to Mitsubishi Estate in FY2023

Denominator and numerator are calculated as follows:

<Calculation method until FY2020>

Denominator: Male employees whose spouse gave birth during the corresponding fiscal year and who are eligible for maternity leave (excluding employees who have been with the company less than one year)

Numerator: Male employees whose spouse gave birth during the corresponding fiscal year and who took maternity leave during the corresponding fiscal year

<Calculation method from FY2021>

Denominator: Male employees whose spouse gave birth during the corresponding fiscal year and who are eligible for maternity leave (excluding employees who have been with the company less than one year)

Numerator: Male employees who took maternity leave during the corresponding fiscal year

*3 Five Mitsubishi Estate Group companies: Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Design, and Mitsubishi Real Estate Services



MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

Key Theme 3: Innovation

Innovative urban development that continuously renews society

Related SDGs



Opportunities and Risks

Opportunities	Risks
<ul style="list-style-type: none"> ● Decreasing cost of environmental countermeasures and investment with the advancement of technological innovation ● Rise in the efficiency and convenience of operating facilities through utilization of IT and robots ● Increasing need and opportunities for utilization in smart communities, residences, and offices 	<ul style="list-style-type: none"> ● Declining demand for brick-and-mortar stores and services accompanying the advance of online buying and selling, such as electronic commerce ● Decreasing demand for facilities and services due to late response to IT and digital innovation ● Loss of opportunities because of a late response amid an expansion in development opportunities and demand for smart communities, houses, and offices



Main Values Provided

- Interactive, value-added urban development based on knowledge-building and networks
- Cutting-edge urban development with continual open innovation

Targets

- Innovate business models and maximize performance
- Support the creation of new ideas and businesses from the perspective of urban development, contribute to the growth of cities and industries

OUR ACTION



Operating Incubation Offices

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**Using Cutting-Edge
Technology and Robots**

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**Creating Innovation through
Collaborations and Alliances**

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Key Theme 3: Innovation Operating Incubation Offices

EGG JAPAN – Helping New Businesses Set Up and Expand

Housed in the Shin-Marunouchi Building, Entrepreneur Group for Growing Japan (EGG JAPAN) is run by Mitsubishi Estate to assist growing companies from overseas and innovative Japanese venture companies as they create and expand new businesses. Providing such support helps to keep Marunouchi the world's business center of choice. EGG JAPAN is made up of the Business Development Office and the Tokyo 21c Club. The Business Development Office provides resident companies with a range of business support options such as introductions to experts and prospective clients and assistance with organizing events. The Tokyo 21c Club provides a platform for entrepreneurs, company managers in charge of new business and experts in various fields to build networks through events and seminars.



Lounge space

FINOLAB, a Company to Support FinTech Development

The FinTech Center of Tokyo (FINOLAB) is a membership-based community and space based in the Otemachi area of Tokyo aiming to create a FinTech ecosystem and generate new businesses. Mitsubishi Estate established FINOLAB in February 2016 in cooperation with Dentsu Inc. and Information Services International-Dentsu, Ltd. as Japan's first FinTech hub. The center is currently managed by FINOLAB Inc.

Through collaboration with different industries centered on FinTech, FINOLAB supports the development and growth of start-ups, providing the solutions and environment for major companies to promote innovation and help solve issues of business creation. It also aims to build next-generation business ecosystems capable of creating businesses that solve social issues.



Entrance



Shared space



Global Business Hub Tokyo, a Shared Workspace Linking Otemachi with the World

The Global Business Hub Tokyo in the Otemachi Financial City Grand Cube is one of the largest business support facilities in Japan for startups and up-and-companies from Japan and overseas. The facility provides business matching events and high-quality networking opportunities, contributing to the development of business for the companies using it. The Global Business Hub Tokyo aims to help create the world's business center of choice in Otemachi, Tokyo.



Terrace Lounge

* Run by the General Incorporated Association Global Business Hub Tokyo and staffed by Mitsubishi Estate

Inspired.Lab, an Open Innovation Hub That Encourages Collaborative Creation

Inspired.Lab is a co-working space established by Mitsubishi Estate together with SAP Japan Co., Ltd., a subsidiary of the software company SAP SE, in the Otemachi Building in February 2019. The space is occupied by technology startups and new business development teams from major corporations working on creating new businesses in cutting-edge areas such as AI, IoT, and robotics.

The facility contains a lounge space for stimulating interaction, workshop spaces to use for idea sharing, and a work area that can be used to create prototypes of ideas. Staff from SAP are also permanently onsite to provide both physical and human support for new business creation, including the provision of programs for discovering and developing innovation. Inspired.Lab helps its users test and verify their ideas in the facility, the building, and the surrounding area, thereby facilitating speedy commercialization. Since the facility began operating, a number of new businesses have come to fruition based on the open environment.



Entrance to Inspired.Lab



Work area



TMDU Innovation Park (TIP), a Medical and Research Site-Based Innovation Community

TMDU Innovation Park (TIP), established in Ochanomizu, Tokyo in August 2021 to realize a society with better medical care and better health for people, is an innovation community to drive collaboration by academia, companies and start-ups from diverse industries, and government, leading to medical and healthcare innovation.

TIP is a demonstration project to engage in open innovation in an environment in close proximity to the research, educational, and medical sites of Tokyo Medical and Dental University. The university and Mitsubishi Estate are jointly planning and running the project based on a joint research agreement concluded in July 2021. It is hoped many will take advantage of TIP to share time, space, and minds among industry, academia and government, which in turn create ideas that cannot be conceived by a single university or company and accelerate the pace of innovation with the ultimate goal of delivering total healthcare innovation.



Innovation XR Lab

TOKIWA BRIDGE Serviced Offices for Recently Established Start-Ups

In January 2022, serviced offices for start-ups opened in the TOKYO TORCH (Tokiwabashi Project in front of Tokyo Station) based on a vision of “lighting up and energizing Japan.” Companies that are eligible to become tenants are domestic recently established start-ups and carve-out companies spun off from larger ones as external businesses. With a maximum tenancy period of three years until December 2024, the facility is designed for new companies to blossom.

TOKIWA BRIDGE provides the growing startups with the offices they need to foster a corporate culture, promote interaction among employees, and attract new human resources. Newly designed, flexible contract and usage formats, including day-of-the-week leasing and hot-desking, help accelerate their business growth.

Tokiwa Bridge, where the TOKIWA BRIDGE serviced offices are located, has a long history as a business district supporting Japan’s economic growth. It was once the front entrance to Edo Castle, and the office buildings built there during Japan’s era of rapid economic growth were said to be the largest in the East. Tokiwa Bridge has provided support and connections for the economy and a variety of companies, people, and things over the years. Like Tokiwa Bridge, the TOKIWA BRIDGE serviced offices aim to become an emblem of Japanese companies standing strong against the waves of time. While making use of the facilities, including the most up-to-date buildings around Tokyo Station, start-ups will be able to actively interact with people and spread their wings from Tokyo, the heart of Japan, to the world, and ultimately into the future.

* TOKIWA BRIDGE is a facility with a limited period until December 31, 2024.





Yurakucho SAAI Wonder Working Community

The Yurakucho SAAI Wonder Working Community is a membership-based working community with a hub on the 10th floor of the Shin-Yurakucho Building where individuals with diverse values come together to encounter new sensibilities and give shape to ideas. The main target is entrepreneurs and potential entrepreneurs with a focus on people and individuals.

The aim is to create a community that will nurture individuals not restricted to the conventional framework, such as people who want to take on new challenges while belonging to a company or people in charge of new business searching for businesses within the company, and enable them to thrive and succeed in the era of side jobs and second jobs.



SAAI
Wonder Working Community

YOXO BOX Venture Company Growth Support Center

YOXO (pronounced “Yokuzo”) BOX is a growth support center for venture companies established in October 2019 in Kannai, Yokohama. In addition to 12 YOXO BOX OFFICE serviced offices that come with business support, the center is equipped with a co-working space to encourage interaction and an event space that can accommodate up to 100 people.

The name YOXO BOX expresses the meaning that the center will be a sandbox (= testing ground) for creating new interaction in Yokohama. It will promote activities to realize “Innovation City Yokohama” by providing attractive business networks of collaboration between industry, government, and academia, consisting of a large number of mentors, including university professors and well-known entrepreneurs, tenant companies, major companies, and Yokohama City, as well as a full range of business support systems, including programs to support entrepreneurs and promote the creation of businesses, such as a start-up advice service.




**YOXO
BOX**

See the following website for more details about each facility.

[Mitsubishi Estate Office Information](#)





Key Theme 3: Innovation Using Cutting-Edge Technology and Robots

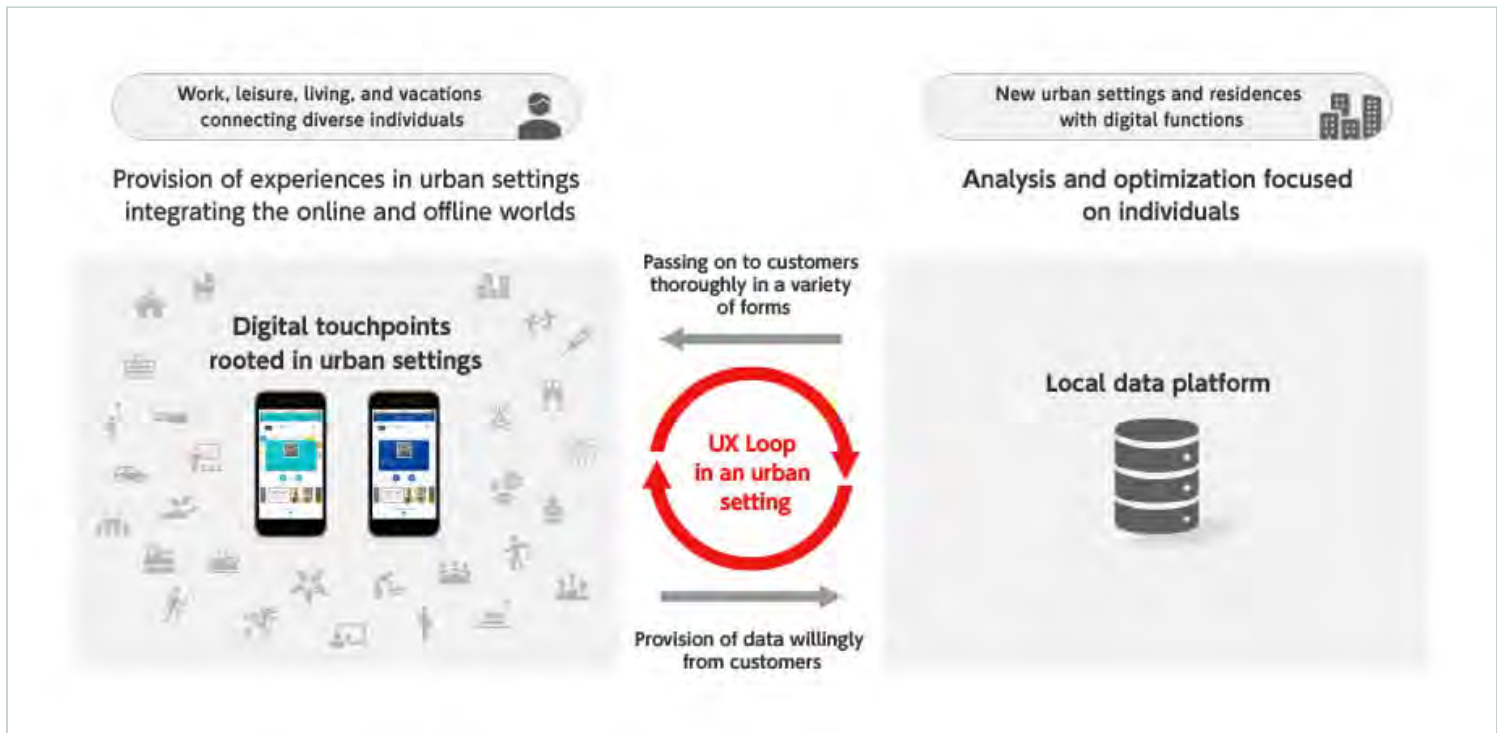
Formulation of Digital Vision

In June 2021, we formulated the Mitsubishi Estate Digital Vision, which aims to create more livable urban environments for ordinary citizens through digital transformation. Under this vision, the Group will develop environments that allow users to enjoy experiences in urban settings while moving freely between online and offline worlds by extending the physical contact points with customers that it has built up in its real assets and diverse business portfolio. In addition, we will pass on the data accumulated through these experiences to users in the form of various optimized services and new service offerings. Mitsubishi Estate will evolve urban environments into platforms for new discoveries and inspirations by promoting the creation of environments where people and companies can assemble, meet, and interact both online and offline with other people and other companies.

As part of our efforts to realize this vision, we have built Machi Pass, a common authentication ID. Via this single common authentication ID and a password, users can take advantage, if they so wish, of a variety of services offered in an urban setting as well as receive optimized information and services based on such data as their user history and location information. This initiative will help evolve the urban setting into a place that provides enriched user experiences by accumulating and optimizing the experiences of individual customers as data and passing it on to them to facilitate even better experiences.

[Mitsubishi Estate's Digital Vision goals]

- (1) Help address social and individual challenges by providing online and offline experiences where participants can come and go as they please
- (2) Continuously update experiences by analyzing and using overarching project data and data generously provided by individuals
- (3) Build an open ecosystem with relevant city parties and encourage participation and cocreation with a variety of players



Primary Initiatives Promoting Next-Generation Services Utilizing Robots

Along with its promotion of smart cities, Mitsubishi Estate has formulated the Mitsubishi Estate Digital Vision and is advancing urban development that allows people to experience convenient living environments through digital transformation (DX).

As part of these efforts, the Company will offer new services featuring the deployment of robots at facilities and in various urban environments. This will be achieved by promoting the creation of robot-friendly environments facilitating the introduction of robots

that can be accessed both online and offline to support the provision of advanced services in smart cities. As well as alleviating labor shortages, making use of robots also helps increase efficiency in maintaining and managing facilities. As the COVID-19 pandemic has prompted an increase in the need for non-face-to-face and non-contact services, the range of tasks that robots are uniquely placed to perform has expanded. At the same time, robots' communication and coordination with elevators and security doors are indispensable for their smooth operation. To this end, Mitsubishi Estate will take on the responsibility of acting as a hub for cooperation between all stakeholders—including local governments, tenant companies, robot manufacturers, and security and cleaning companies—to promote next-generation urban development.

Outline of Initiatives for Creating Robot-Friendly Environments





Establishing Marunouchi Data Consortium Aimed at Creating New Value and Business for the Community through Data Utilization

Mitsubishi Estate and Fujitsu Limited established the Marunouchi Data Consortium in September 2019 with the aim of creating new value and business for the community through utilization of data. The consortium provides programs such as workshops and seminars that encourage co-creation so that companies and organizations can work in an integrated manner from generation of ideas through to field testing.

In fiscal 2019, the consortium launched projects that included one to obtain and use data related to activities in the Marunouchi area as well as an information bank project responsible for the distribution of personal data acquired with permission.

Through initiatives that include utilization of data, Mitsubishi Estate will proactively pursue the realization of the "smart city" in Marunouchi and other areas.

Utilizing IT in Condominium Management Streamlining Operations Using Chatbots

Mitsubishi Jisho Community, which manages condominiums for sale and lease, office buildings, and public facilities, began operating Chatbots, an automated conversation program using artificial intelligence (AI), on LINE in October 2019. Chatbots automatically reply to typical inquiries and requests from customers, business partners, real estate brokers, remodeling contractors, and others, resulting in reduced customer wait times. In so doing the company is working to increase service efficiency through the utilization of IT.

In addition, customers who belong to Mitsubishi Jisho Residence Club, the customers' membership organization across the Mitsubishi Estate Group, can receive information on the club's benefits and services in a timely manner on LINE.

In the future, Mitsubishi Estate is considering sending the regular notifications for each condominium via LINE and making it possible for customers to submit a variety of documents to the management association or the managing company via LINE as well.

Introducing Smartphone App Smart Rijikai

In November 2019, Mitsubishi Jisho Community began distributing Smart Rijikai ("Smart Management Association"), an iOS and Android app, as an initiative to improve service quality. The app is intended for the condominium management associations from which the company is entrusted with management operations, providing a service that makes it possible for them to view the agenda for administrative board meetings on the app and make resolutions after question and answer sessions. The association's administrative board members can take part in meetings online at a convenient time and are able to check materials, make comments, and exercise voting rights depending on the agenda.



Developing the Condominium Self-Management App KURASEL

Mitsubishi Jisho Community developed KURASEL, an app that makes it easier to manage condominiums, in service from November 2020. Although in the past there have been calls from condominium management associations to manage condominiums themselves or to reduce management costs, no products or services were available to meet their needs until now.

The app was developed by condensing condominium management expertise cultivated over 50 years enabling a wide range of functions: the management of complex information in the condominium management association (e.g. owner and resident information, contract and order management information); storage and viewing of board meeting materials; income and expenditure status; management of payments. All this can be centrally managed through the app via a smartphone or online. This makes it easier for condominium management associations to function without outsourcing work to a management company.

The provision of this brand-new service will reduce management costs, alleviate shortage of reserve funds for repairs, and contribute to solving social issues such as the shortage of human resources serving on the management boards of condominiums.



Key Theme 3: Innovation

Creating Innovation through Collaborations and Alliances

Development of OMY SDGs ACT5

The OMY SDGs ACT5 Executive Committee, composed of Mitsubishi Estate, The Norinchukin Bank, Nikkei Inc., Nikkei Business Publications, Inc., and others launched OMY SDGs ACT5 in fiscal 2020 to implement a variety of SDG-related activities in the Otemachi, Marunouchi, Yurakucho area, where approximately 280,000 workers and 4,300 companies are congregated. The project promotes corporate initiatives centered on the five SDG-related action themes, which are sustainable food, the environment, well-being, diversity & inclusion, and communication. The participating companies work together to verify the synergistic effects of corporate collaborations as they aim to build a model city of SDGs and drive social innovation.



Each of the participating companies has been addressing the 17 goals of the SDGs through their business activities, but collaborating across corporate boundaries has made it possible to take on the challenge of more fundamental and broader themes. The project will verify the synergistic effects of SDGs-related activities based on corporate collaboration and will aim to build a model city of the SDGs.

In fiscal 2022, which is the third year of the project, in addition to rolling out various activities aimed at achieving the SDGs, the team has made available the app developed in fiscal 2021 granting individuals with ACT5 “member points” for SDGs-related actions they take in the Otemachi, Marunouchi, Yurakucho area. App users can earn points for activities such as bringing their own bottles, cooperating with collection of old clothing, and participating in events related to the SDGs. Accumulated points can be exchanged for sustainable products or donated to organizations working to achieve the SDGs. In fiscal 2022, the team has improved some of app’s functionalities and revamped the pedometer function for promoting individual well-being into a “charity walking” function, which makes it possible for individuals to earn points when they reach 8,000 steps in a single day, with the points being donated to organizations that contribute achieving the SDGs. By continuously encouraging individuals to change their behavior through this initiative, the project aims to create a virtuous cycle triggering SDGs-related actions which lead to the next steps forward in this area.

Fiscal 2021 Results

- Actions: Implemented 54 actions linked to ACT5
- Number of partner companies and groups: Realized partnerships with 68 companies and groups
- Participants: A total of over 10,500 people learned and thought about social issues from a variety of angles and made the time to take action.

See the following dedicated website for the latest news (Japanese only).

OMY SDGs ACT5 (Japanese only)



Tokyo Marunouchi Innovation Platform to Create Innovation through Industry, Government, Academia, and Local Neighborhoods Leveraging Urban Resources

The Association for Creating Sustainability in Urban Development of the Otemachi, Marunouchi, and Yurakucho Districts ("Ecozzeria Association") established the Tokyo Marunouchi Innovation Platform (TMIP) in August 2019 to support innovation creation to solve social issues through collaboration between industry, government, academia, and local neighborhoods and deliver them to the global market.



TMIP is a member-based organization in which diverse stakeholders from industry, government, academia, and local neighborhoods participate and collaborate.

Maximizing the resources and capabilities possessed by member companies and the assets of Tokyo's Otemachi, Marunouchi, and Yurakucho neighborhoods (collectively known as the Otemachi, Marunouchi, Yurakucho area), it provides support for the business creation process from the formation of teams for collaboration through validation of idea feasibility. The goal is the creation of global innovation and businesses to solve social issues that cannot be solved by one company alone.

TMIP creates an environment that makes it easier to achieve the projects of member companies by hosting workshops and events to form an interactive community of members and by implementing initiatives to ease regulations and other measures. Working with partners, including innovation facilities and groups, venture capital, universities and research institutions, and government bodies in the Otemachi, Marunouchi, Yurakucho area as well as advisors in possession of cutting-edge expertise, TMIP is providing comprehensive support for innovation creation.

See the following for more information about TIMP.

Tokyo Marunouchi Innovation Platform (TMIP)





Launch of Yurakucho Wonder Working Studio, a Platform for Practical and Participatory Community Building to Revitalize the Yurakucho Area

Since December 2019, Mitsubishi Estate has been implementing Yurakucho Micro STARs Dev., a project aimed at revitalizing the Yurakucho area. For this project the entire neighborhood serves as a stage to create a framework for the stars of the next generation to rise in Yurakucho. As part of this effort, in April 2022, Mitsubishi Estate launched the Yurakucho Wonder Working Studio, a participatory platform mainly for business people working at companies in the city to study and put into practice topics with highly social characteristics such as sports businesses and community development with a view to implementing gained insights in the city and society in the future.



The Yurakucho Wonder Working Studio was jointly established by Mitsubishi Estate and Inter Local Partners. Rather than a school-style learning forum, it will focus on more socially relevant themes and business-related content for participatory learning and practice, with the ultimate goal of implementing findings in the city and society. With side jobs and businesses attracting attention, it will organize courses for business people in the city that will inspire a mission in life separate from their jobs. The first phase of the project offered two courses in sports and community development (April–July, 2022). The participants in the Wonder Working Studio will play active roles as future community development producers. Through this initiative, the aim is to encourage the exchange of ideas among diverse people and spread new initiatives from Yurakucho to the rest of Japan and the world.

For information on Yurakucho Micro STARs Dev., see [here](#).

[Yurakucho Micro STARs Dev. \(Japanese only\)](#)



[Yurakucho Wonder Working Studio \(Japanese only\)](#)





Demonstration Tests at Umekita Sotoniwa Square

The joint venture of nine companies^{*1} led by Mitsubishi Estate for the Umekita 2nd Project will conduct advance trials for future urban development in cooperation with local communities, government, and private-sector companies at Umekita Sotoniwa Square, an outdoor demonstration test site in Kita-ku, Osaka.

The joint venture is planning to manage and operate the urban park at the Umekita 2nd Project (tentative name), a redevelopment project in front of Osaka Station, based on the concept of fusing greenery and innovation. The joint venture has been selected as a partner^{*2} for the Pioneering Project for Greening of the Umekita Area ahead of the advance opening of the community in 2024, and will be responsible for operating Umekita Sotoniwa Square for 1,000 days up to March 31, 2023.

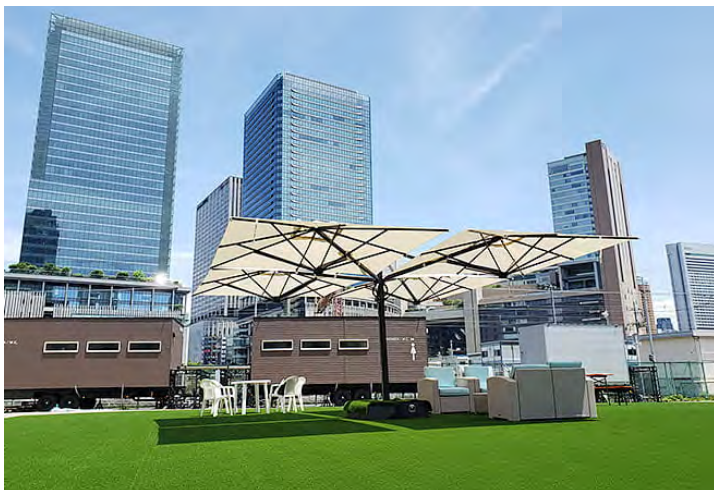
As part of the trial, Mitsubishi Estate and its partners will work on preparatory activities for park and area management to create a cutting-edge, attractive park area, which is the focus of the Umekita 2nd Project. We will also deepen our collaboration with diverse players with the aim of developing smart cities based on public-private partnerships using cutting-edge technology and the utilization of public, open space adapted to the new normal.

In the Umekita 2nd Project, the concept of greenery goes beyond simply ensuring that there are parks and green spaces. Rather, it is about building new relationships among the city, its inhabitants, nature, and the environment, and thereby developing an attractive urban area for the future. The joint venture will utilize the results of the trial to create Osaka MIDORI LIFE ("Osaka Green Life"), an innovative life model by creating an urban environment that is fused with nature and spaces and opportunities where diverse people can engage in new activities.

*1 Mitsubishi Estate Co., Ltd., Osaka Gas Urban Development Co., Ltd., ORIX Real Estate Corporation, Kanden Realty & Development Co., Ltd., Sekisui House, Ltd., Takenaka Corporation, Hankyu Corporation, Mitsubishi Estate Residence Co., Ltd., Umekita Development Specific Purpose Company (SPC funded by Obayashi Corporation)

*2 Composed of the eight companies in the joint venture, excluding Mitsubishi Estate Residence, plus Hibiya Amenis Corporation

Umekita 2nd Project



Demonstration test site for greenery



Utilization of open space



Creating New Business through Investment in Startup Companies and Venture Capital

In order to drive business model innovation for further growth in the 2020s, Mitsubishi Estate aims to improve existing businesses while moving forward with various initiatives to move into new growth areas.

As part of this effort, with the aim of delving into new businesses and creating synergies among existing ones, Mitsubishi Estate has been aggressively investing in start-up and venture capital companies both in Japan and overseas focusing on seven priority areas – namely agriculture; renewable energy; infrastructure, public private partnership (PPP), private finance initiatives (PFI); real estate-related services; content business, entertainment, sports; tourism, inbound business, regional revitalization; and healthcare and food – as well as fields that are directly connected to real estate. The Business Creation Department takes a central role in these efforts.

The company also utilizes its Corporate Accelerator Program to solicit ideas from venture companies with the goal of creating new business models to combine with our business assets as well as continuing the employee new business plan submission program.

Moving forward, Mitsubishi Estate will continue to pursue new business opportunities in a wide range of sectors and cultivate future growth while seeking innovations to its business model and creating new value.

Launching BRICKS FUND TOKYO by Mitsubishi Estate

In 2022, the Company launched BRICKS FUND TOKYO by Mitsubishi Estate, a fund for investing in start-ups that take on the challenge of realizing social contributions over the medium to long term, such as resolving social issues and transforming the industrial structure.

With a mission to lay the foundations for a new era by implementing the vision of entrepreneurs in society, the fund has established three investment themes and 12 focus areas. The fund aims to help improve corporate value over the medium to long term and co-create growth industries by supporting investee companies with the implementation of their vision in society, such as through the provision of sales support drawing on the Mitsubishi Estate Group's management infrastructure, the implementation of field trials in Otemachi, Marunouchi, Yurakucho, and other areas, and the promotion of business co-creation and collaboration.



Mitsubishi Estate has proactively engaged in co-creation with start-up companies over the years, such as through the implementation of the Mitsubishi Estate Accelerator Program. Going forward, the establishment of this fund will enable us to further accelerate innovation and transform business models unbound by the frameworks of existing businesses while contributing to the development of an ecosystem for start-up companies in Japan.



Mitsubishi Estate Accelerator Program Held to Create New Urban Visions

Mitsubishi Estate held the Mitsubishi Estate Accelerator Program again in fiscal 2021 aimed at the creation of new business through open innovation with start-ups. The program has been held each year since 2017 with the objective of reinventing the Mitsubishi Estate Group's business model. Mitsubishi Estate is the sponsor of the program, which provides start-ups with management resources such as funding, technology, and sales channels, and solicits business proposals from start-ups.

In fiscal 2021, given the current situation which called for rapid social and behavioral change, Mitsubishi Estate looked for start-ups that will be partners in facing challenges and proposing new urban visions and selected nine companies.

So far, a total of 33 companies out of approximately 700 applications have been selected under the Accelerator Program, including the current fiscal year. Going forward, Mitsubishi Estate will continue to deepen its co-creation with a diverse array of start-ups. It will concentrate efforts not only on strengthening competitiveness in existing business domains, but also on non-asset businesses and development of new business focusing on B2C or B2B2C.

See the following for more details about the nine companies selected in fiscal 2021. (Japanese only)

the nine companies selected in fiscal 2021. (Japanese only)





MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

Key Theme 4: Resilience

Dynamic, flexible urban development that builds disaster-resilient communities and prioritizes safety and security

Related SDGs



Opportunities and Risks

Opportunities

- Increasing need to acquire and lease real estate highly resilient to disasters (including urban floods) accompanying climate change
- Growing need to acquire and lease real estate highly resilient to disasters such as earthquakes

Risks

- Decreasing asset value and increasing expenses for maintenance and countermeasures due to intensifying and increasing in disasters (such as urban floods) accompanying climate change
- Fall in asset values and rise in expenses for maintenance and countermeasures due to disasters such as earthquakes
- Increasing renovation expenses and disaster countermeasures costs accompanying aging of buildings



Main Values Provided

- Sustainable, resilient, safe and secure urban development

Targets

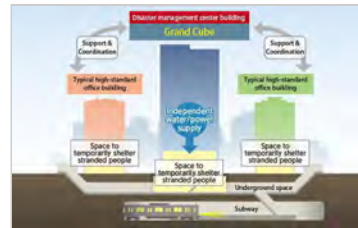
- Enhance disaster preparedness to minimize functional stagnation during disasters
- Enhance BCP function through hardware measures and strengthen neighborhood communication

OUR ACTION



Establishment of Disaster Preparedness and Mitigation Framework

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Initiatives to Enhance Disaster Preparedness in Buildings

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Key Theme 4: Resilience

Establishment of Disaster Preparedness and Mitigation Framework

Framework of Anti-Disaster Measures and Anti-Disaster System

In addition to basic policies and action guidelines for natural disaster and other crisis management, the Mitsubishi Estate Group has established the Emergency Response Manual setting out the details of action in an emergency. Mitsubishi Estate also has its own Framework of Anti-Disaster Measures to ensure that necessary countermeasures are taken to protect human life and infrastructure from disasters and to take appropriate and prompt recovery measures. This framework covers a wide range of measures in a detailed manner, including standard precautionary measures, assignment of responsibilities, plans for drills, plans for emergency measures in the event of a disaster, and recovery measures. The Anti-Disaster System is put into action when a large-scale disaster occurs or is expected to occur. The Disaster Management Headquarters is established, and the company will work with government officials, police, fire department, general contractors, sub-contractors, the Chiyoda Medical Association, and St. Luke's MediLocus to support stranded commuters, respond to the injured, and conduct emergency safety checks of buildings.

In 2012 the company formed an agreement with the Chiyoda-ku government to receive stranded commuters in the event of a large-scale disaster.

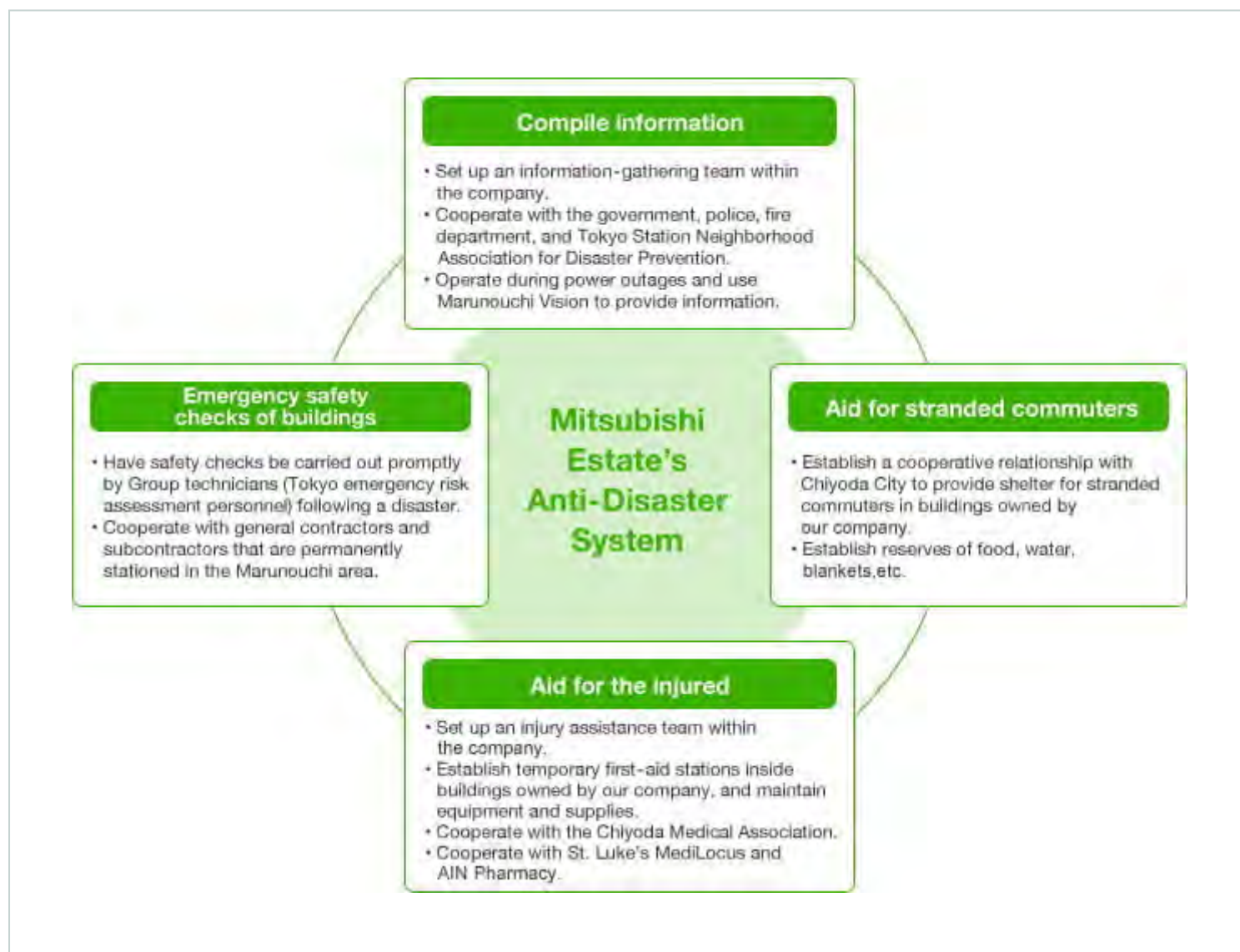
See the following for the number of buildings that have been designated as temporary shelters for stranded commuters.

ESG Data > S: Social data > (2) Other > Resilience





Anti-Disaster System



Business Continuity Plan

The Mitsubishi Estate Group has drafted a Business Continuity Plan (BCP) to prevent crucial operations from being interrupted if a disaster or accident occurs – and, if they are suspended, to enable their speedy resumption – and we established "Mitsubishi Estate Group Business Continuity Plan Guidelines" in October 2006.

In December 2012, we established "Mitsubishi Estate Business Continuity Plan Documents" and the "Mitsubishi Estate Group Guide to Preparing a Business Continuity Plan Document" in light of the Great East Japan Earthquake. By strengthening the bonds between the Business Continuity Plan and the Framework of Anti-Disaster Measures, we are ready to ensure both the safety of customers and Mitsubishi Estate Group employees as well as the business continuity of the Mitsubishi Estate Group in an emergency.

Furthermore, in light of changes in the social and business environment, we strive to continually upgrade the content of the Business Continuity Plan through PDCA cycles and will implement further improvements going forward in order to fulfill our social responsibility.



Prompt Building Diagnoses and Restoration Measures During Disasters

When a major disaster, such as an earthquake, occurs, prompt building diagnosis and restoration work are required. Mitsubishi Estate worked together with the group company Mitsubishi Jisho Sekkei Inc., developing a framework for cooperating with various construction companies and strengthening further our frameworks for ensuring the safety and security of tenant companies and visitors.

The Mitsubishi Estate Group owns and manages numerous large buildings in locations that include the Marunouchi area. Because building maintenance and other maintenance work occur on a daily basis, many construction companies have developed support systems. By taking advantage of the unique strengths of the Mitsubishi Estate Group, which has specialized technical personnel stationed in its buildings, we have established a framework for rapid building diagnosis and restoration in times of disasters on the basis of the cooperative relationships we have developed day after day.

In specific terms, our disaster preparedness measures involve collaboration with construction companies, including cooperation with building emergency risk assessment personnel as long as the companies' business continuity plans are not hindered (inspecting building exteriors, locations that pose fire hazards, and vital facilities); cooperation on emergency repairs to ensure building safety; cooperation on inspections to determine the level of damage to building facilities; cooperation on proposals for disaster recovery plans, and the provision of emergency response supplies.

Establishing Building Safety Management Systems and Independent Guidelines

Mitsubishi Estate has established a Safety Management Office within its Facility Management Planning Department, and we have partnered with Mitsubishi Jisho Property Management and other group companies to continuously carry out daily inspections and safety inspections at buildings all across the country that are managed and operated by the Mitsubishi Estate Group. Additionally, we carry out centralized management of activities and data at each location, including safety inspections and improvements, and implement preventive safety measures by sharing accident data within the Mitsubishi Estate Group, and providing instructions and support as necessary.

We collect building-related accident data, including data from other companies, in order to rapidly investigate the cause of accidents and determine whether corrective measures are required. This information is shared promptly to prevent the recurrence of accidents. Based on our experiences from the Great East Japan Earthquake, we organize this data according to what responses have been taken, what reinforcements are needed, and what items need to be reviewed, and we push for ongoing improvements to our safety response measures. We have also created Building Safety Design Guidelines that contain standards independently established by our company, guidelines stricter than the Building Standards Act and other laws and regulations, that are applied right from a building's design stage to preemptively avoid accidents, and we conduct reviews of these guidelines as needed.



Formulation of Measures to Combat Volcanic Ash Due to an Eruption of Mt. Fuji – Reducing Damage and Disruption Resulting from Disasters

In November 2021, Mitsubishi Estate formulated and published action guidelines for building operation and management based on the scenario of a volcanic ash following an eruption of Mt. Fuji.

Japan's National Disaster Management Council published the report Countermeasures for Wide-Area Ash Falls from Major Volcanic Eruptions in April 2020, in which an eruption of Mt. Fuji was used as a model to illustrate the effects of ash fall, including power outages and transportation infrastructure shutdowns in the Tokyo metropolitan area. Mitsubishi Estate formulated action guidelines based on a timeline to facilitate a prompt response and to mitigate damage and disruption.

The action guidelines cover approximately 20 buildings owned by Mitsubishi Estate in Otemachi, Marunouchi, and Yurakucho, where there is a major concentration of head office functions within the Tokyo metropolitan area. They establish the timeline for maintaining building functions, providing evacuation guidance and taking in stranded commuters based on an eruption, the subsequent Japan Meteorological Agency ash fall forecasts, and actual ash fall conditions as well as specify the necessary materials and equipment.

Conducting Regular Lifesaving Classes for Employees

Mitsubishi Estate has been continuously conducting regular lifesaving classes (including AED training) for disaster response staff since September 2008, and we were recognized as a "Certified Excellent Lifesaving Class Attendance Business*" by the Tokyo Fire Department in February 2009.

* Granted to businesses with at least one qualified first aid instructor and where at least 30% of employees complete regular lifesaving classes

See the following for the rate of employees with first aid provider qualification



Regular lifesaving class in progress (fiscal 2019)

[ESG Data > S: Social data > \(1\) KPI > Resilient Urban Development](#)





Holding Comprehensive Emergency Drills in Private-Public Collaboration

Every September, Mitsubishi Estate holds comprehensive emergency drills with the participation of all of its executives and employees and many others from Group companies and other parties. This tradition dates back to 1923, when the Great Kanto Earthquake struck Tokyo and the Estate Department of Mitsubishi Goshi Kaisha, the precursor of Mitsubishi Estate, provided emergency aid, primarily from the former Marunouchi Building, which had been completed that year. Building on this experience, disaster response drills have been held regularly since 1926.

In 2019, before the impact of the COVID-19 pandemic, the drill was carried out in the neighborhood of Marunouchi, where the Mitsubishi Estate Group owns about 30 buildings, assuming a scenario in which Marunouchi had been affected by an earthquake similar in magnitude to the Great East Japan Earthquake. With the invocation of the Anti-Disaster System, all employees took on their pre-planned roles as disaster response staff and practiced initial response, safety verification, information compilation, and equipment operations.

Moreover, in addition to annual training in the emergency healthcare collaboration with Chiyoda Medical Association and St. Luke's MediLocus and firefighting training carried out in collaboration with the responsible fire department and local firefighting brigade, Mitsubishi Estate conducted training on healthcare collaboration assuming emergency use of security robots with the ability of autonomous travel. Further, there was training on reception of foreigners in shelters for stranded commuters to ensure safety of tourists visiting Japan and foreign workers in an emergency.

In fiscal 2020 and 2021, the drill was carried out based on the perspective of mitigating COVID-19 infection risk. It was implemented with the actual number of employees working based on infection control measures in mind and included an initial response in an environment with limited personnel and the collection and communication of information using tools such as the safety confirmation system and online conferencing. In addition, an e-learning course was held in fiscal 2021 to help familiarize employees with basic knowledge on our disaster prevention measures.

FY 2022 marked the 96th drill, making it the first time in three years exercises were conducted covering fire extinguishers, fireplug drills, smoke houses, a VR disaster prevention truck exhibit, and joint drills with the Chiyoda Medical Association and local fire department. Because so many employees are working from home, we practiced initial response again this year with a limited number of employees who can help during a disaster (50% reduction), forming an emergency disaster framework for area disaster prevention. We also implemented drills taking in stranded commuters and setting up temporary first aid stations at nearly 40 properties simultaneously across the country. Also, a verification was conducted for wide area safety management methods during disasters using the next-generation camera system* being installed in the Marunouchi area starting in fiscal 2021. To do so, images were streamed from buildings where the cameras were installed to the emergency management headquarters to gather information. Also, the first large-scale fire drill was conducted at the Tokiwabashi Tower, which was completed in June 2021.

Going forward, we will continue to work with the local fire department, as well as our buildings' corporate tenants, to keep enhancing the safety and security of Marunouchi and other neighborhoods where the Group has its presence by ensuring there are adequate systems in place for emergencies.

* Camera control and management that was originally handled in each building is now covered using a dedicated fiber optic closed network installed across the entire Marunouchi area, a data center in the area, and the latest video management system, providing control over all cameras (up to 40,000 cameras can be connected) in the area.



Carrying Out Verification Tests of Disaster Dashboard Beta

Mitsubishi Estate continuously takes steps in preparation for a potential disaster in the Otemachi, Marunouchi, and Yurakucho areas. In the event of an inland earthquake in Tokyo on a weekday during the daytime, the Otemachi, Marunouchi, and Yurakucho areas would face several issues, including large numbers of stranded commuters and the lack of a disaster hub hospital within the areas. In light of these issues, Mitsubishi Estate carried out verification tests over a four-month period from November 2021 of Disaster Dashboard Beta, a platform for sharing information among disaster response agencies and providing information to stranded commuters.

The verification tests provided information on the availability of temporary accommodation facilities by automatically linking the platform to Chiyoda Ward's Twitter account. In addition, the tests encompassed such activities as verifying ways to summon emergency transit buses during disasters to transport the wounded and other individuals, having on-board information screens display bus location information, and implementing the trial use of a device for operating Marunouchi Vision (digital signage) by remote control.

In conjunction with Chiyoda Ward, Mitsubishi Estate is refining Digital Dashboard Beta with the aim of implementing it during FY2023 as a function of next-generation disaster preparedness centers (disaster response centers) and to serve as one of the functions of a smart city in response to an inland earthquake and other disasters in Tokyo. Going forward, the Company will further promote verification tests in relation to disaster countermeasure needs and solutions in partnership with various entities, such as railway and building operators.



Disaster Dashboard Beta (digital signage version)



Emergency transit bus for use during disasters Helping the wounded onto a bus (rendering) (Marunouchi Shuttle)



Helping the wounded onto a bus (rendering)



Disaster Resilient Urban Development Leveraging Collaboration Between Mitsubishi Estate Residence and Academia

Mitsubishi Estate Residence and Kyorin University are collaborating on disaster prevention initiatives, contemplating what universities, local governments, and businesses can do to develop contingency plans for the local communities. Together with Portland State University in the U.S., Kyorin University has worked on the Disaster Resilient Urban Development fieldwork program since 2017 in the Sanriku region affected by the Great East Japan Earthquake and in Tokyo in preparation for an earthquake directly striking the capital. A part of this program entailed a tour in June 2019 of a condominium in Kanade no Mori, a residential district offered by Mitsubishi Estate Residence in Narashino, Chiba Prefecture. At this location, visitors studied the efforts by the Mitsubishi Estate Group and shared ideas on urban development focusing on disaster resilience. The company also held a workshop where local residents were invited to the university to work together and discuss disaster contingency plans for the town.



Industry and academia partnership
agreement signing ceremony

In February 2020, a disaster contingency partnership agreement was signed as a way to further enhance disaster preparedness. In addition to emergency drills, workshops, and lectures, this initiative resulted in participants working together to create English versions of disaster preparedness tools designed for foreign nationals living in Japan, including Sonaeru Drill (a disaster preparedness workbook) and Sonaeru Karuta (a disaster preparedness card game).

In 2021, we strengthened our cooperation utilizing such occasions as a lecture as part of Community and University, a compulsory subject for first-year university students, and the university's Program for Training Coordinators of Community Revitalization in an Aging Society, a course designed for working adults, to work with Kyorin University students and other individuals to discuss local disaster preparedness.

In order to build disaster-resilient communities, an approach articulated in Resilience, one of the Key Themes of the Mitsubishi Estate Group 2030 Goals for SDGs, the Group collaborates with its partners on disaster preparedness initiatives and promotes disaster resilient communities and urban development.



Portland State University-Kyorin University fieldwork
(Sharing Mitsubishi Estate Group initiatives)



The English version of Sonaeru Drill was released to the general
public
on March 9, 2020.

The Parkhouse disaster preparedness program (Japanese only)





Implementing Online Disaster Response Drills in the Tsudanuma Area

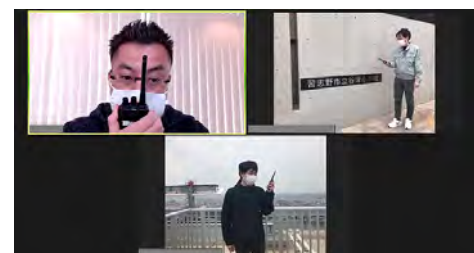
In March 2022, Mitsubishi Estate Residence Co., Ltd., and Mitsubishi Estate Community Co., Ltd., implemented online disaster response drills in the Tsudanuma area in Chiba Prefecture.

While the impact of the COVID-19 pandemic continues to make it difficult to implement disaster response drills, both companies carried out interactive disaster drills online to continuously prepare for disasters that could occur at any time.

Under the theme of “surviving the 72 hours following a disaster,” we implemented an interactive workshop incorporating experiential elements into drills, with participants looking at how to navigate the “72-hour barrier”—said to be the maximum time available for saving lives—by learning about countermeasures unique to condominiums, unforeseen accidents, and other matters. The drills also featured live streams of the activities of the Disaster Management Headquarters to introduce the workings of the operational side, which are not normally seen.

Launched in 2015 and held for the seventh time in 2022, the Tsudanuma area response drills targeted approximately 2,700 residents from five condominiums in the area. In 2022, we will also guide the 225 voluntary disaster response organizations in Narashino City through the drills in an effort to create a system for local residents to help each other in the event of a disaster.

For further details, see the March 14, 2022 press release. (Japanese only)



Coordinating with others in the area via radio

Emergency Drill Implemented Online with Nearly 2,700 Households

PDF

Download SONAERU DRILL English version from the disaster preparedness program website

SONAERU DRILL English version

PDF



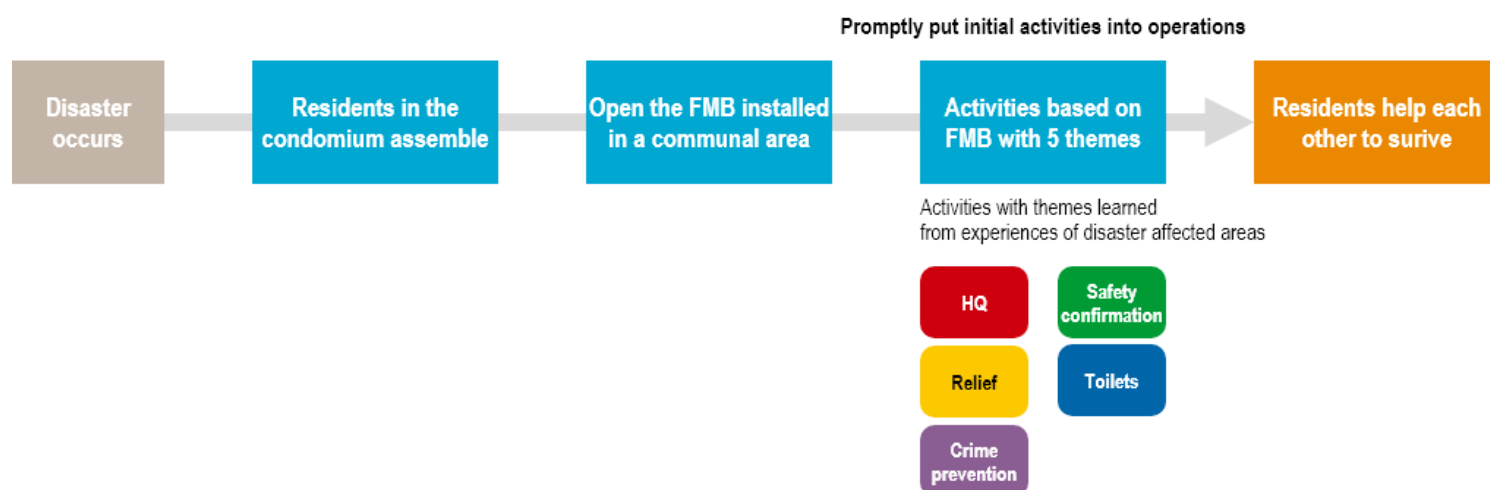
New Disaster Preparedness Initiatives in Condominiums for Lease

With no management associations or disaster prevention plans, condominiums for lease faced unique difficulties in establishing an organizational structure in the event of a disaster. To address this issue, Mitsubishi Estate Residence proposed new disaster preparedness initiatives to realize safety and security in both areas of management and infrastructure in the company's The Parkhabio Nakano Fujimicho Garden.

In terms of management, the company has created and introduced the First Mission Box[®] (FMB)^{*}, an activity tool that will assist residents in helping one another without hesitation in a disaster, even without a management association. The FMB contains instruction cards on what to do and how best to cooperate so that residents in the condominium can help one another when a disaster occurs. By opening a box placed in a location that is easily visible to residents and following the instructions on the cards inside the box, people there can carry out initial activities in the event of a disaster, even without specialized knowledge or experience. The company has also created the Second Mission Box (SMB) in anticipation of a prolonged emergency situation.

In terms of infrastructure, the company has introduced a new program for storing surplus electricity generated by solar power generation in storage batteries installed in communal areas and supplying it to communal areas where it is needed for activities during disasters and for the daily lives of those affected. In addition, each floor has been provided with a MY Disaster Warehouse, which residents can use individually. The MY Disaster Warehouse on the first floor is equipped with rescue equipment, first aid kits, and other items necessary for initial activities based on the FMB in the event of a disaster. Mitsubishi Estate Residence is looking to roll out this disaster prevention initiative to The Parkhabio brand of condominiums for lease to realize a safer, more secure life for customers.

* First Mission Box[®] was developed by Iida City, Nagano Prefecture and the Risk & Crisis Management Educational Institute. The FMB introduced in this case was created for The Parkhabio Nakano Fujimicho Garden supervised by Nobue Kunisaki, a representative of the institute.



Flow of initial activities in a disaster



Key Theme 4: Resilience

Initiatives to Enhance Disaster Preparedness in Buildings

Top Level Seismic Performance to Withstand Megaquake (Seismic Intensity 7)

Buildings owned by Mitsubishi Estate in the Otemachi, Marunouchi, Yurakucho area have seismic performance that is at least equivalent to that set out in the Building Standards Act (new earthquake resistance standards), even for buildings that were built prior to the enactment of new earthquake resistance standards. Moreover, based on original standards for earthquake resistance formulated with Mitsubishi Jisho Sekkei that exceed those required by laws and regulations, Mitsubishi Estate has ensured that the seismic performance of ultra-high-rise buildings constructed since 2002 is 1.5 times higher than that of conventional skyscrapers and that it is possible to remain in the building even in a seismic intensity 7 megaquake.

Area BCP Initiatives Based on Area Disaster Prevention Buildings

Completed on April 1, 2016, the Otemachi Financial City Grand Cube is an ultra-high-rise building designed with advanced disaster preparedness functions that considered lessons learned following the Great East Japan Earthquake, which took place during the planning stage of its development. All conceivable flood damage measures were taken to minimize risk in the event of a flood, such as installing flood barrier panels, water-tight doors and other water barrier measures, and locating a stockpile warehouse and important offices (transforming equipment and disaster prevention center) on above-ground floors. Mitsubishi Estate has employed a full range of inventive methods in its quest to build an advanced disaster-resistant city. An urban water purification system was installed, which is a first for a private company, and also installed was a system that allows electricity, water and ventilation to function independently in the event infrastructure services are interrupted. Having learned from heightened demand for bathing in regions affected by the Great East Japan Earthquake, Mitsubishi Estate excavated out hot springs from a depth of 1,500 meters and opened a bathing facility. This facility will be made available for use by disaster relief personnel in emergencies and to improve hygiene.

The company has also developed collaborative systems for emergencies, such as an affiliation with St. Luke's MediLocus, an international medical facility.

As a result of these efforts, Grand Cube was designated a disaster response base by the Council for Area Development and Management of Otemachi, Marunouchi, and Yurakucho, and it will take an important role in improving disaster resilience for the area overall.

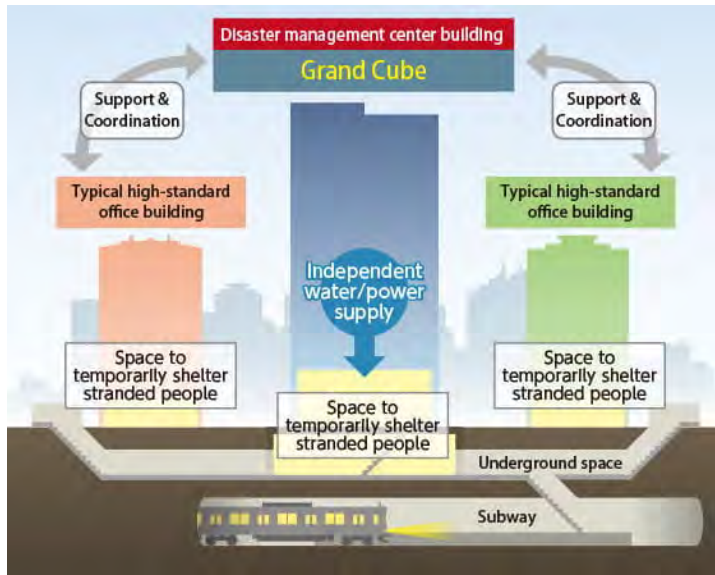


Details on functions for BCP and the safety, security and BCP of Mitsubishi Estate's office buildings are shown in the pages below.

Mitsubishi Estate Office Information
Otemachi Financial City Grand Cube / Full BCP Support



Mitsubishi Estate Office Information
Mitsubishi Estate's Concept of the Office Building—Safety, Security & BCP



"Disaster management center building" contributing to the BCP of the entire district



Exterior of Otemachi Financial City Grand Cube



Introducing Systems to Enable Timely Response to Earthquakes

Mitsubishi Estate has introduced varied systems to detect seismic disturbances, evaluate the level of damage automatically, and thereby enable a timely response in the event of an earthquake.

Installation of Yuremasu Seismographs

With the aim of conducting elevator safety shutdowns and preventing lock-in accidents whenever an earthquake occurs directly beneath Tokyo, Mitsubishi Estate has installed Yuremasu seismographs developed by Mieruka Bousai Co., Ltd. in various facilities in the Tokyo metropolitan area, operated by the Mitsubishi Estate Group. The system rapidly conveys seismic P-wave data measured at each facility to high-rise buildings in the Marunouchi area, making it possible to implement safety measures that include emergency shutdowns of elevators prior to the arrival of strong swaying.

Installation of Damage Level Evaluation System

Mitsubishi Estate has introduced a damage level evaluation system that ascertains a building's damage condition during an earthquake based on data from seismographs installed at several locations inside buildings, and then rapidly determines whether continued use is feasible. We have been installing this system in skyscrapers in the Otemachi, Marunouchi, Yurakucho, Yokohama, and Aoyama areas beginning with the Marunouchi Building, the Shin-Marunouchi Building, and the Marunouchi Park Building.

Introduction of Center Functionality

Mitsubishi Estate and Mitsubishi Jisho Property Management have introduced center functionality that allows for remote and integrated monitoring of buildings owned by the Mitsubishi Estate Group.

Reinforcing Communication Equipment

The Group also works to reinforce communication equipment (digital MCA and IP radio systems) in each company facility to address congestion of the general phone lines in the event of an emergency.

Countering Long-Period Ground Motion at Sunshine 60

The Great East Japan Earthquake, which struck in 2011, caused significant, lengthy continuous swaying of skyscrapers in the Greater Tokyo region as a result of long-period ground motion. There are concerns that damage could result from long-period ground motion that will occur during major earthquakes expected in the future.

In order to counter long-period ground motion at Sunshine 60 in Ikebukuro, Tokyo, Mitsubishi Jisho Sekkei Inc. launched a research society together with Sunshine City Corporation, the owner of Sunshine 60, and construction company Kajima Corporation, in order to research and investigate long-period ground motion, well ahead of the point when long-period ground motion was recognized as a major concern. Additionally, we developed Japan's first "damper assembly construction method"—an effective combination of three types of dampers based on the results of this research and investigation, and installed seismic strengthening measures at Sunshine 60. Construction was completed in 2016. Using this construction method, we achieved long-period ground motion countering that demonstrates greater earthquake resistance than the newest skyscrapers, and without affecting the building's tenants.



Demonstration Test of Rain Garden for Flood Prevention and Mitigation

From May 1 to October 31, 2022, Mitsubishi Estate conducted a demonstration test of a rain garden using a portion of the planted area along the street on Marunouchi Naka-Dori Avenue.

A rain garden involves creating a depression in a planted area and using soil with increased permeability. This helps retain rainwater temporarily in the planted area that permeates into the ground over time, rather than directly discharging into sewers. This can reduce flood damage by decreasing the load on sewers during heavy rainfall. It also contributes to combating the heat island effect and preserving biodiversity in addition to helping with the formation of a good landscape. In this demonstration test, Mitsubishi Estate conducted a number of studies simultaneously on the permeability, water retention capacity, and growth of the rain garden and collected data to examine the feasibility of introducing rain gardens in the Otemachi, Marunouchi, and Yurakucho districts.

The introduction of rain gardens is part of a green infrastructure initiative to solve urban issues, such as flood prevention and mitigation, as well as to promote communication and wellbeing by actively utilizing the autonomous resilience and other functions of the natural environment, including greenery, water, soil, and living organisms.



A rain garden created



SUSTAINABILITY ACTIVITIES (ESG) Environment

**Sustainable Cities
for a Sustainable Earth**



TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



Policies and Targets

Promotion System

**Information Disclosure
Based on TCFD
Recommendations**

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Environment Policies and Targets

Mitsubishi Estate Group Medium- to Long-Term Greenhouse Gas Emissions Reductions Targets (SBT-Approved)

The Mitsubishi Estate Group formulated group-wide medium- to long-term greenhouse gas (GHG) emissions reduction targets in March 2019. In April 2019, the Group's targets were approved by the Science Based Targets initiative as consistent with the level required under the Paris Agreement (limiting average global temperature rise due to climate change to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C) based on scientific evidence. Moreover, in March 2022, the Group revised its targets in line with the Net-Zero Standard published by the SBTi in October 2021 based on its 1.5°C scenarios (Targets approved by the SBT initiative in June 2022). The Group will further deepen its initiatives through such means as introducing electricity derived from renewable energy and utilizing new technologies, thereby contributing to the realization of a low carbon footprint society.



* The Science Based Targets initiative is a joint initiative by the World Wide Fund for Nature (WWF), CDP (an international NGO that provides investors, companies, cities, states and regions with a global disclosure platform to manage their environmental impacts), UN Global Compact, and the World Resources Institute (WRI). The initiative encourages companies to set greenhouse gas emissions reduction targets based on scientific evidence, which are consistent with the level required under the Paris Agreement (limiting average global temperature rise due to climate change to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.)

Mitsubishi Estate Group Medium- to Long-Term Greenhouse Gas Emissions Reductions Targets

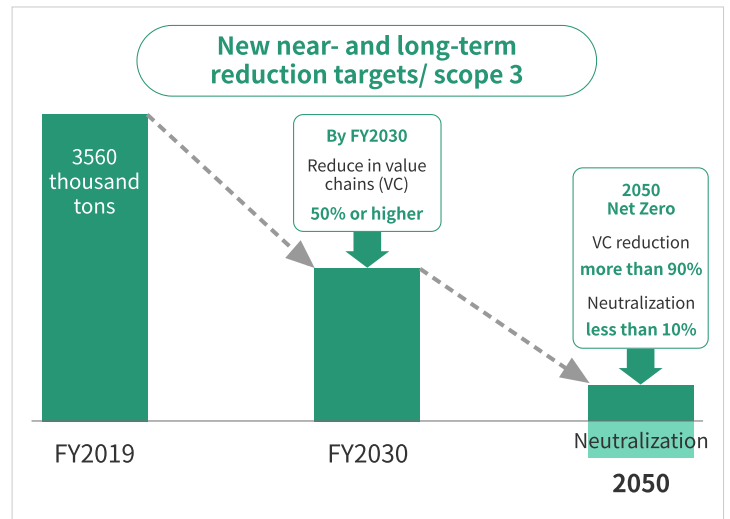
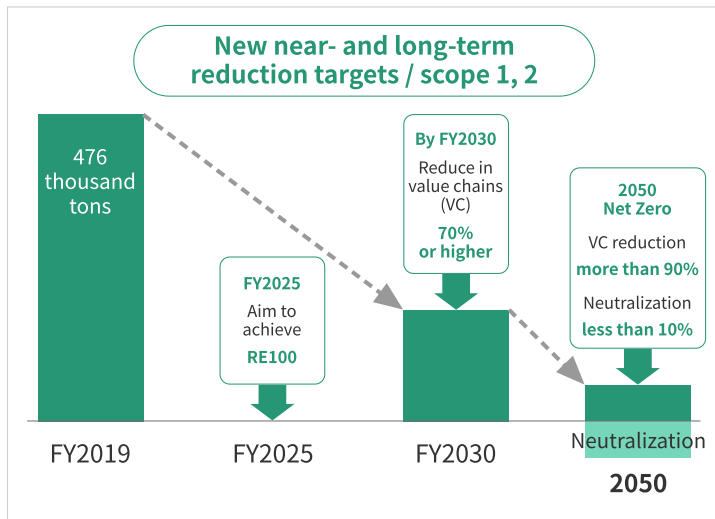
GHG Emissions Reduction Targets (revision in March 2022) (Targets approved by the SBT initiative in June 2022)

- Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions
- Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions*)

* Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.



Based on SBTi's new Net-Zero Standard (1.5°C scenario)



See the following for data on greenhouse gas emissions.

[ESG Data > Environmental Data](#)



Formulating Target for 100% Renewable Energy Rate in Conjunction with RE100 Commitment

On January 31, 2020, Mitsubishi Estate joined RE100*, a collaborative initiative under which businesses commit to using 100% renewable energy. In March 2022, Mitsubishi Estate revised its GHG reduction targets in line with the SBTi's Net-Zero Standard and, in conjunction with these revisions, also renewed the Group's renewable energy rate target to achieve 100% group-wide by fiscal 2025.



* RE100 is a global corporate initiative led by The Climate Group, an international NGO working to accelerate climate action, in partnership with CDP, an international NGO that provides investors, companies, cities, states and regions with a global disclosure platform to manage their environmental impacts. RE100 brings together influential businesses committed to switching to 100% renewable energy for the electricity they use.



Mitsubishi Estate Group Basic Environmental Policy

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Basic Environmental Policy, which is based on its corporate mission. The entire Group works together to implement sound environmental management.

The Mitsubishi Estate Group has developed an environmental management system and strives to protect the environment by promoting environmental initiatives and reducing environmental impact, as well as complying with all environmental laws and regulations. Mitsubishi Estate is determined to ensure that its business activities play a leading role in the development of sustainable communities.

1. Building a low-carbon society

We are proactive about the efficient use of resources and energy, and encourage the use of renewable energy to contribute to the creation of a low-carbon society.

2. Creating a sound material-cycle society

We strive to reduce, reuse, and recycle in every stage of our business, including planning, development, design, construction, management and dismantlement, in order to contribute to building a sound material-cycle society.

3. Fostering harmony between nature and human society

We endeavor to foster new cultural values and to practice environmental responsibility by demonstrating concern for biodiversity and developing attractive urban spaces that harmonize with the surrounding natural environment, thus helping to build a society that lives in harmony with nature.

4. Promoting environmental communication

We proactively provide information on the environment and communicate with society on a broad range of issues in our efforts to coordinate and cooperate with a wide range of stakeholders.

5. Increasing employees' ecological awareness

In our efforts to increase employees' awareness of environmental conservation issues and ensure highly effective environmental activities, we provide environmental education and awareness programs, aiming to develop an ecologically aware workforce.

Established on May 1, 2004

Revised on January 1, 2006 and April 1, 2010



The Mitsubishi Estate Group Green Procurement Guidelines

The Mitsubishi Estate Group established the Green Procurement Guidelines as an active effort to be environmentally friendly and help reduce the burden on the global environment. The Guidelines promote green procurement, which refers to procurement or construction methods that use materials and equipment with a low environmental impact.

These Guidelines apply to all products, services, designs and construction work procured by the Mitsubishi Estate Group.

In April 2016, the Group also drew up the Paper and Printed Matter Procurement Guidelines to further those efforts.

The basic policies set out in the Green Procurement Guidelines are as follows.

01 Conservation of Energy and Resources

02 Reduction of Environment Pollutants

03 Preservation of Biodiversity

04 Long-Term Usability

05 Recyclability

06 Use of Recycled Material

07 Ease of Treatment and Disposal

08 Curtailment of Total Volumes Procured

[Green Procurement Guidelines \(PDF 97KB\)](#)





Environment Promotion System

Environmental Promotion System

The Mitsubishi Estate Group sets out matters related to efforts to promote sustainability, including conservation of global environment, in the Mitsubishi Estate Group Sustainability Regulations. The Sustainability Committee, chaired by the President & CEO of Mitsubishi Estate with the Chief Sustainability Officer (the director in charge of the Sustainability Management and Promotion Department at Mitsubishi Estate) as deputy chair, meets twice a year as a rule to deliberate and report on climate change and other important issues related to sustainability. Prior to meetings of the Sustainability Committee, the Sustainability Subcommittee conducts preliminary discussions and reporting and compiles information on efforts to promote sustainability taken by business groups, etc. The deliberations of the Sustainability Committee are reported to and supervised by the Board of Directors.

Monitoring Group-Wide Environmental Initiatives

To monitor the progress of environmental initiatives across the entire Mitsubishi Estate Group, a survey is taken of all Group companies that share the Code of Conduct. The survey covers the progress of measures to reduce environmental impact.

Building and Implementing an Environmental Management System

Mitsubishi Estate has each of its Group companies implement an environmental management system (EMS), a mechanism for responding to global environmental problems and contributing to the sustainable development of society.

EMS provides companies with a framework to help achieve environmental goals effectively by setting specific targets and assessment systems and utilizing the PDCA cycle to ensure continual review and improvement. The Mitsubishi Estate Group establishes targets and works to improve its environmental performance by obtaining certification for ISO 14001, the international EMS standard, as well as establishing its own EMS, which complies with ISO 14001.



Implementation of Mitsubishi Estate Group's Environmental Management System (Status as of March 2022)

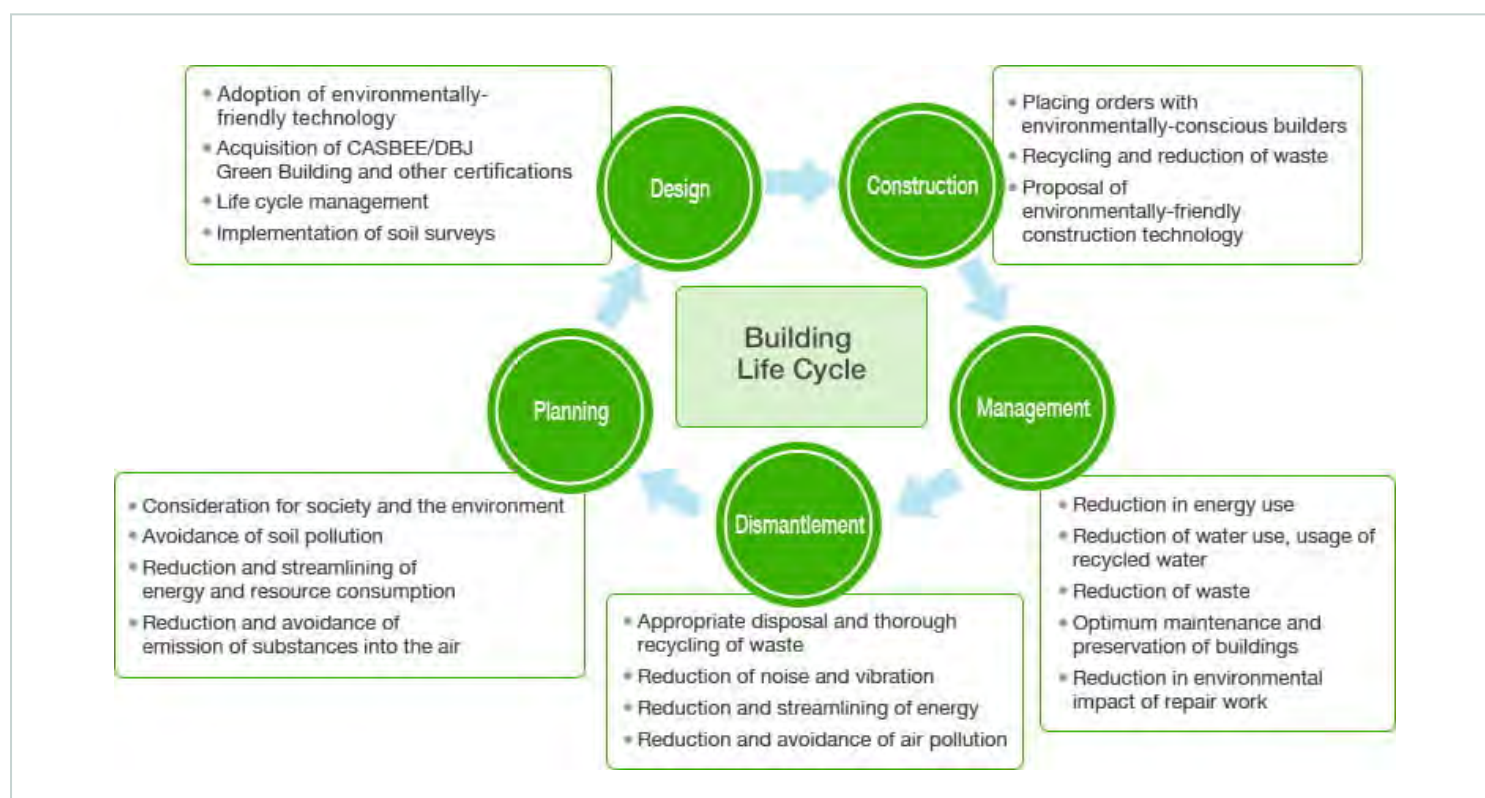
Organization	Environmental Policy	Environmental Targets and Initiative Results
Mitsubishi Jisho Design (Architectural design & engineering business)*	PDF 46KB PDF	PDF 30KB PDF
Mitsubishi Jisho Community (Overall condominium and building management)	PDF 19KB PDF	PDF 39KB PDF
Royal Park Hotels and Resorts (Supervision and management of hotel business management, operation support)	PDF 61KB PDF	PDF 45KB PDF
Yokohama Sky Building (Office and commercial building administration and management)	PDF 330KB PDF	PDF 95KB PDF
Mitsubishi Estate Home (Custom-built housing business)	PDF 21KB PDF	PDF 62KB PDF

* ISO14001-certified organization

Approach to Building Life Cycle

The Mitsubishi Estate Group runs various businesses involved in the development, planning, construction and management of real estate and considers reducing environmental impact through Group-wide efforts as one of its duties. The Group Basic Environmental Policy aims to reduce the burden on the environment caused by buildings throughout their life cycle, from planning and design to operation and management and dismantlement. The entire Group works together to implement constructive and sustainable measures to that effect.

Environmental considerations during a building's life cycle





Environment

Information Disclosure Based on TCFD Recommendations

On February 3, 2020, Mitsubishi Estate announced its support for the recommendations of TCFD. In May 2020, the Company disclosed such information as governance, strategies, risk management, indicators and targets on climate change risks and opportunities in accordance with the framework recommended by TCFD. Going forward, the Company will consider expanding the scope of information to be disclosed as it works to further improve governance and business strategies pertaining to climate change based on the results of the scenario analysis.



Our disclosures based on TCFD recommendations, we primarily refer to the following scenarios.

- RCP 8.5
- IEA STEPS
- IEA SDS
- IEA 2DS

* The Task Force on Climate-related Financial Disclosures (TCFD) was established by the Financial Stability Board (FSB) based on a G20 request to investigate how to disclose climate-related information and respond to financial institutions. The task force issued its final report in June 2017, encouraging companies and others to disclose climate change-related risks and opportunities.

In the "Information Disclosure Based on TCFD Recommendations" document, (4) Metrics and Targets will be changed in accordance with the revision of the Mitsubishi Estate Group medium- to long-term greenhouse gas emissions reductions targets figures in March 2022.

Please click [here](#) for details.

Information Disclosure Based on TCFD Recommendations (PDF 1.1MB)





Climate-related risk assessments

Risks	Relevance and inclusion	Details
Current regulation	Relevant, always included	<p>[An example of the risk type] Tokyo Cap-and-Trade Program: Japan's first mandatory emissions trading scheme The Tokyo Metropolitan Government has in place the Tokyo Cap and Trade System, which applies to large-sized businesses. Subject businesses are required to reduce CO2 emissions by 15% against the base year over a 5-year period, and if it is not achieved, a company is obliged to purchase carbon credits. Non-complying companies are subject to a fine, in addition to bearing the costs for related administrative measures, as well as having their names disclosed. Therefore, it is considered to be a crucial risk in terms of reputation and finance.</p> <p>[An explanation of how it is included in climate-related risk assessments] Each business group and group company conducts risk assessments to identify important risks each year, and respond to priority risks (individual priority risks). In addition, line staff departments monitor the progress, cooperate and support the risk management at each group company. With regard to the individual priority risks selected, the Sustainability Committee and the Risk Compliance Committee, chaired by the president, accurately grasp the risks of the entire group, and visualize the risks and their priorities by identifying and mapping risks that need to be addressed intensively. Current regulatory risks (Tokyo Cap & Trade System) are also evaluated, managed, and addressed in cooperation with the department in charge. As for emission reductions, the company is planning to introduce renewable energy at an early stage, in accordance with the targets of SBT and RE100. Specifically, for the purpose of facilitating reviews by business divisions and managing their progress appropriately, the annual plan since the end of FY2019 contains targets and action plans related to climate change and to be monitored semiannually by the Sustainability Committee.</p>
Emerging regulation	Relevant, always included	<p>[An example of the risk type] In the scope of our company's business, when new emission regulations are implemented to achieve the Paris Agreement etc., additional measures and costs such as introduction of new energy-saving equipment and switching of energy sources may occur. Therefore, they are assessed as mid- and long-term financial risk. In particular, the impact is considered to be large in the scenario of 2°C or less, and in addition to purchasing additional emissions credits, the company sees indirect increases in construction costs due to higher costs of carbon-intensive building materials as a potential risk in the future.</p> <p>[An explanation of how it is included in climate-related risk assessments] Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management & Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring in cooperation with the departments in charge in case any major change of regulations coming up. For instance, the third commitment period of mandatory Tokyo cap & trade scheme is expected to start from 2020 to 2024. Our properties located in Tokyo are obliged to reduce CO2 emissions during the 5 years. If any property fails to meet such reduction obligation, additional expenditure will be required. Therefore, such risk is identified, evaluated and managed at the Sustainability Committee and Risk Management & Compliance Committee and also monitored by the departments in charge. In addition, in order to respond to the introduction of emission regulations, the company is planning to introduce renewable energy at an early stage, in accordance with the targets of SBT and RE100. Specifically, for the purpose of facilitating reviews by business divisions and managing their progress appropriately, the annual plan since the end of FY2019 contains targets and action plans related to climate change and to be monitored semiannually by the Sustainability Committee.</p>



Risks	Relevance and inclusion	Details
Technology	Relevant, always included	<p>[An example of the risk type] Although our company will not develop technologies with respect to facilities in our own buildings, there is a possibility that we cannot achieve our mid- and long-term targets and emission regulations when the energy efficiency of facilities and low-carbon technologies are not advanced as expected. In that case, additional costs may be required due to additional introduction of high-efficiency energy-saving equipment with poor cost-effectiveness. Therefore, they are assessed as mid- and long-term financial risks.</p> <p>[An explanation of how it is included in climate-related risk assessments] Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management & Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring in cooperation with the departments in charge. For instance, as a result of assessment and management of technology risk, investment on Clean Planet Inc. whose business is R&D of new energy has been made taking into consideration the use of energy in our facilities in the future. The long-term management plan to target 2030, which was announced in January 2020 (FY2019), sets targets and aims to develop new businesses in line with these targets in order to develop and manage real estate efficiently and effectively in response to technology risks.</p>
Legal	Relevant, always included	<p>[An example of the risk type] It is expected that the Real Estate Companies Association of Japan will set voluntary target when the national GHG emission reduction plan is established in accordance with Japan's 26% emission reduction target announced at the COP 21. When such voluntary target is set, a pressure to reduce emissions would grow strong against us because we are owner of many large buildings and emit more GHGs than other companies, so that we may be forced more investment. Therefore, they are assessed as crucial financial risks. Legal risks are assumed to increase, especially at 2 degree C or below scenario.</p> <p>[An explanation of how it is included in climate-related risk assessments] Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management & Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring of Japanese government and the world in cooperation with the departments in charge. In addition, in order to respond to the introduction of emission regulations, the plan for early reduction of emissions and introduction of renewable energy is being planned in accordance with the targets of SBT and RE100. Specifically, for the purpose of facilitating reviews by business divisions and managing their progress appropriately, the annual plan since the end of FY2019 contains targets and action plans related to climate change and to be monitored semiannually by the Sustainability Committee.</p>
Market	Relevant, always included	<p>[An example of the risk type] While the preferences of consumer is changing toward low carbon buildings and energy efficient buildings, if we can't provide buildings our customers prefer, it may lead to lower occupancy rate, lower sales and lower corporate value evaluation. Therefore, they are assessed as crucial financial risks. In the future, our group will promote measures based on the SBT and RE100. However, if measures are not implemented under the scenario of 2 degree C or less, we believe that the risk of an increase in vacancy rate and a decrease in rent will be especially large.</p> <p>[An explanation of how it is included in climate-related risk assessments] Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management & Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring of changes in customer demand and their financial impacts in cooperation with the departments in charge. In addition, we intend to promote measures based on the SBT and RE100 as a countermeasure against risks, and we believe that the CO2-free construction of buildings (introduction of renewable energy, construction of ZEB, etc.) should be particularly important.</p>



Risks	Relevance and inclusion	Details
Reputation	Relevant, always included	<p>[An example of the risk type] While being required to disclose and respond to ESG-related information and issues, there is a possibility of losing confidence from investors unless we are able to respond to the transition to a carbon-free society. Since it leads directly to the stock price, it is assessed as a crucial financial risk. In addition, with the transition to a carbon-free society, there is a possibility that there will be a risk of criticism of buildings with low environmental performance. In such a case, the impact on the business (e.g. reduction of rent, prolongation of leasing period) and corporate value is expected.</p> <p>[An explanation of how it is included in climate-related risk assessments] Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management & Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring of impacts on corporate values of ESG evaluation by third parties in cooperation with the departments in charge. In addition, we intend to promote measures based on the SBT and RE100 as a countermeasure against risks, and we believe that the CO2-free construction of buildings (introduction of renewable energy, construction of ZEB, etc.) should be particularly important. We believe that it is important to disclose information on these initiatives, disclose them appropriately to stakeholders, and accumulate dialogues.</p>
Acute physical	Relevant, always included	<p>[An example of the risk type] Because of the occurrence of urban flood caused by the increase in the number of floods caused by climate change, there is a risk of loss of rent due to the inability of our property to operate. Therefore, it is assessed as a crucial financial risk. On the other hand, we are proud that we are implementing a higher level of countermeasures than other companies, such as implementing development with strict standards in terms of building hardware and implementing disaster prevention measures in terms of software, and we believe that risks can be minimized even in the event of flood damage.</p> <p>[An explanation of how it is included in climate-related risk assessments] Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management & Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring of exposure risks to extreme weather affected by geographical aspects in cooperation with the departments in charge. Concrete examples of risk countermeasures include the installation of tide boards and ground floors such as disaster prevention centers.</p>
Chronic physical	Relevant, always included	<p>[An example of the risk type] Necessity of changing the operation of air conditioning systems and renovating air conditioning systems in our buildings because of rising temperatures. New design of whole building structure to maintain comfort inside requires more investment. Therefore, it is assessed as a crucial financial risk. On the other hand, in our buildings, we assume that initiatives are already progressing to a certain degree and that additional costs will be small, and we estimate that the financial impact will be negligible.</p> <p>[An explanation of how it is included in climate-related risk assessments] Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management & Compliance Committee chaired by the president, and countermeasures are implemented by constant monitoring of exposure risks to extreme weather affected by geographical aspects in cooperation with the departments in charge.</p>



Environment

Climate Change Strategies

Basic Policy and Approach

The damage to human life and property caused by extreme weather events such as heat waves, heavy rain, and drought is becoming more serious each year.

The real estate industry is known to emit a particularly large proportion of greenhouse gases as a percentage of all industries. The Mitsubishi Estate Group, which owns a large number of properties in and outside Japan, recognizes it has a great responsibility, and considers it essential to address climate change in order to achieve the Mission of Mitsubishi Estate Group, which is to contribute to society through urban development.

It is against this backdrop that, in order to identify the impact of climate change on business activities and take appropriate actions, the Group endorsed the TCFD Recommendations in February 2020 and implemented analysis and information disclosure^{*1} in line with the TCFD information disclosure framework (governance, strategy, risk management, and metrics and targets around climate-related risks and opportunities). Based on the results of this analysis, the Group will further strengthen its governance and business strategies related to climate change in order to appropriately manage and respond to climate-related transition risks (including regulatory, technological, market, and reputation risks) and physical risks (acute and chronic risks).

Moreover, collaboration with a broad range of external stakeholders is essential for the Group as it implements initiatives aimed at realizing a carbon-free society. To this end, in April 2020, Mitsubishi Estate joined the Japan Climate Leaders' Partnership (JCLP)^{*2}, a coalition of companies acting against the climate crisis, and working to collaborate with other companies to enact policy proposals to the government with the aim of decarbonization.

The Mitsubishi Estate Group will respond steadily to climate change by deepening the initiatives it takes through its business activities in line with this basic policy and approach.

*1 [Information Disclosure Based on TCFD Recommendations](#)

*2 [JCLP website](#) 



Goals and Achievement Status

Goals

Under the basic policy and approach described above, the Mitsubishi Estate Group has formulated medium-to-long term reduction targets for the Group's overall greenhouse gas emissions (reductions in GHG emissions [Scope 1 + 2 + 3] of 35% by fiscal 2030 and 87% by fiscal 2050 compared with fiscal 2017. In April 2019, these targets were approved as being based on scientific evidence by the Science Based Targets (SBT) initiative. In March 2022, the Group revised its targets in line with the Net-Zero Standard published by the SBTi in October 2021 based on its 1.5°C scenarios (Targets approved by the SBT initiative in June 2022).



GHG Emissions Reduction Targets (revision in March 2022) (Targets approved by the SBT initiative in June 2022)

- Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions
- Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions*)

* Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.

Renewable Energy Rate Target (revision in March 2022) Joined RE100

- Achieve 100% group-wide by fiscal 2025

In January 2020, Mitsubishi Estate made a commitment to switching to renewable energy for 100% of the electricity it uses and joined RE100, a global collaborative initiative aimed at switching to electricity derived from renewable energy for 100% of the electricity used in business. In March 2022, Mitsubishi Estate revised its GHG reduction targets in line with the SBTi's Net-Zero Standard and, in conjunction with these revisions, also renewed the Group's renewable energy rate target to achieve 100% group-wide by fiscal 2025.

RE100



Achievement Status

In order to achieve the targets above, the Group is implementing measures such as the use of high-efficiency equipment in the operation of office buildings, which is the Group's core business. In addition, given that factors such as external temperature and building operating conditions impact energy usage, we work with tenants to conserve energy and reduce GHG emissions. Moreover, we are switching the electricity used in buildings to electricity sourced from renewable energy, thereby reducing GHG emissions (Scope 2) and increasing the percentage of renewable power.

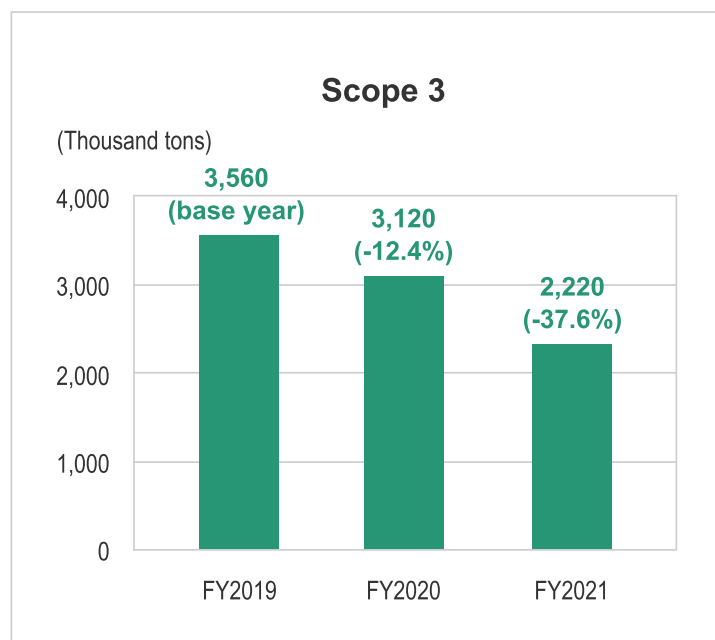
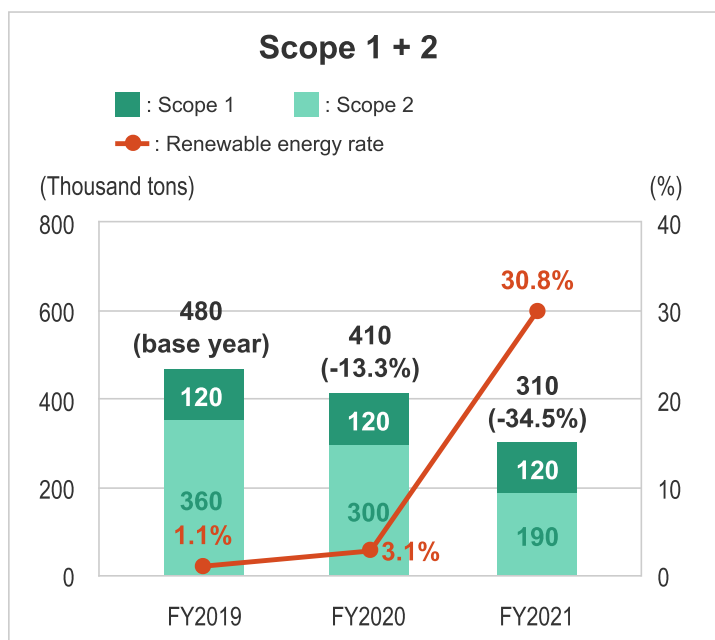
In fiscal 2021, Mitsubishi Estate introduced renewable power in 27 buildings, mainly in the Otemachi, Marunouchi, Yurakucho area, where the company owns and operates many buildings. It plans to introduce renewable power to all the buildings* it owns and operates in the Tokyo metropolis and in Yokohama in fiscal 2022.

Since July 2022, Mitsubishi Estate has also been introducing RE100-compliant renewable power in all the office buildings it owns in Hiroshima City as well as switching to renewable power for all electricity used in the communal areas at the Group's Premium Outlet malls since June 2022. The company is also installing solar power facilities at its distribution facilities and the Premium Outlets to promote the use of sustainable energy and reduce GHG emissions.

The fiscal 2021 introductions increased the renewable energy rate to approximately 30% while the fiscal 2022 introductions are expected to increase the rate to around 50%, so the Group overall is aiming to achieve RE100 in fiscal 2025. This means the previously stated interim target of 25% by 2030 is achieved well ahead of schedule.

* Office buildings and commercial complexes in which the Mitsubishi Estate Group has at least a 50% equity interest, excluding the capital recycling business and properties scheduled for redevelopment, etc.

GHG Emissions, Including CO₂, and Ratio of Electricity from Renewable Energy Sources



See the following for data on GHG emissions and the ratio of renewable power.

[ESG Data > Environmental data](#)





Energy Management Initiatives

Introducing "Super Tube" to Enhance District Heating-Cooling and Cogeneration Systems

Since Marunouchi Heat Supply began operating in 1976, it has developed a district heating-cooling network in the Otemachi, Marunouchi, Yurakucho area and supported energy management for the entire area. The steam and cold water generated by its plants are supplied to buildings through underground tunnels and used for air conditioning. Most of the buildings the Group owns in this area benefit from this system.

At the end of December 2020, Marunouchi Heat Supply and Mitsubishi Estate completed the "Super Tube," a 250-meter long culvert running north to south along Marunouchi Naka-Dori Avenue, and began supplying energy via this tunnel the following January. The Super Tube, which is 30 meters underground, is highly earthquake-resistant and the heat supply pipes inside it form an arterial network that will underpin the stable supply of energy in the Otemachi, Marunouchi, Yurakucho area. The supply of heat generated by the high-efficiency equipment at the Marunouchi Nijubashi Building plant through the Super Tube will reduce CO2 emissions and increase energy efficiency in the Yurakucho district.

With the construction of the Super Tube, the steam network linking the Marunouchi 1-chome, Marunouchi 2-chome, and the Yurakucho districts is now complete, and the mutual backup function between plants in an emergency has also been strengthened. Moreover, the effective use of unused heat is being promoted through the supply of exhaust heat generated by the cogeneration system to multiple buildings in the area through the steam network.

Formulation of Smart Energy Urban Development Action 2050

In March 2021, Mitsubishi Estate and Marunouchi Heat Supply formulated Smart Energy Urban Development Action 2050, concentrating on the Otemachi, Marunouchi, Yurakucho area. The two companies will work on symbiotic and comprehensive energy policies that fully capitalize their management resources with the aim of next-generation urban development to maximize both environmental value and socioeconomic activity.

Central to Smart Energy Urban Development Action 2050 is the realization of an urban microgrid that will contribute to energy resilience, climate change countermeasures, and decarbonization in this area. The urban microgrid is a concept that integrates the use of self-owned power sources and renewable energy, which will be proactively brought in from outside. It also makes it possible to improve the efficiency of heat and power supply while making building energy consumption more efficient and smarter by maximizing the use of the district heating-cooling system. The creation of an urban microgrid contributes to climate change countermeasures and decarbonization during normal times, while also ensuring energy resilience to support business continuity in the area in the event of a major earthquake and other emergencies, thereby maximizing socioeconomic activity of this central business district.

In order to realize the urban microgrid, Energy and Urban Development Action 2050 sets out three management strategies. These consist of (1) Supply management strategy: improving overall efficiency through integrated heat and power supply system and decarbonization of electricity and heat; (2) Supply and demand management strategy: improving energy management efficiency through smarter energy consumption in new and existing buildings; and (3) Linkage and business management strategy: participating in renewable energy projects and contributing to regional revitalization, collaborating with diverse energy businesses on verification. Measures will be implemented in these three directions. In addition, the Urban Energy Strategy Planning Department was established at Mitsubishi Estate on April 1, 2021, as the organization for implementing the measures and promoting studies in this area.



Outline of the Strategies

(1) Supply Management Strategy

Decarbonization of electricity (proactive introduction of renewable energy)	We will proactively introduce renewable energy in order to drive decarbonization of electricity.
Decarbonization of heat and construction of optimum energy portfolio	Together with optimizing the combined heat and power portfolio, we will promote decarbonization of heat, which will contribute to the overall portfolio.
Business continuity based on integrated heat and power and self-owned power sources; enhanced efficiency through area supply control	In addition to building a system that can supply each building with heat and electricity in an integrated manner, we will establish an autonomous emergency system through the ownership and operation of self-sustaining power sources and further improve efficiency in normal times through area supply control.
Area supply management and load levelling control using demand response ^{*1} , heat and power storage, and VPP ^{*2} , etc.	We will build systems that will manage heat and power supply within the area effectively, including coordinated supply among buildings and time band leveling, utilizing demand response, power and heat storage, VPP and other methods.

*1 Demand response: refers to changing power demand patterns by controlling energy usage volume on the energy consumer side

*2 Virtual Power Plant (VPP): A cloud-based distributed power plant that uses information technology to aggregate the capacities of different distributed energy resources and function as if it were a physical power plant

(2) Supply and Demand Management Strategy

An approach with long-term building stock in mind	We will manage from the perspective of the future building portfolio with an eye on the long-term rebuilding schedule in the area.
Making newly developed buildings emissions-free	For buildings developed in the future, we will study measures that contribute to maximizing energy conservation performance and make buildings emissions-free.
Improvement of energy consumption efficiency in existing buildings	We will make effectively timed investments that contribute to greater energy conservation and smarter building design and operation with an eye on the repair life cycle of existing buildings.
Upgrading of management through "BENI," an independently developed next-generation cloud-based BEMS platform	We are developing our own next-generation cloud-based building and energy management system (BEMS) that will contribute to improving the operational efficiency of the diverse parties involved in building operation, as well as visualizing and providing an overall picture for energy conservation activities.
Demand-side load management using demand response and power and heat storage, etc.	We will engage in energy demand-side load management using demand response, power and heat storage, and other methods to encourage more efficient energy use.



(3) Linkage and Business Management Strategy

Participation in renewable energy business and contribution to regional revitalization	In addition to participating in renewable energy projects across Japan, we will contribute to regional revitalization and local community development that helps to promote industry and create jobs in varied regions.
Development of cocreation with energy businesses	We will develop relationships for cocreation that go beyond business transactions as an energy consumer with businesses in energy-related fields, including power generation, transmission and distribution, electricity retail, gas supply, and aggregator business.
Promotion of collaborative verification and R&D in the Marunouchi area	We will provide our assets in the area as demonstration fields for the implementation and verification of new technologies, thereby contributing to their establishment.



Promoting Renewable Energy

Promoting Use of Renewable Power in Buildings

In achieving its medium-to-long term targets (SBTs) for greenhouse gas emissions reductions and the target for the ratio of renewable power (RE100), the Mitsubishi Estate Group believes that it is imperative to switch the electricity used in the buildings it owns and operates to electricity derived from renewable energy. Based on this recognition, the Group is steadily implementing a switch to renewable power. In fiscal 2021, Mitsubishi Estate switched to renewable power for all the electricity used in 27 buildings, mainly in the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts), including the electricity used by tenants. In fiscal 2022, renewable energy will be introduced in all the buildings^{*1} it owns and operates in the Tokyo metropolis and in Yokohama and all the office buildings^{*2} it owns in Hiroshima City. The company also plans to actively introduce renewable power in other areas.

The fiscal 2021 introductions increased the renewable energy rate to approximately 30% while the fiscal 2022 introductions are expected to increase the rate to around 50%.

In tandem with the revision of GHG reduction targets in line with the SBTi's new Net-Zero Standard in March 2022, the Group overall will aim to achieve RE100 by fiscal 2025.

*1 Office buildings and commercial complexes in which the Mitsubishi Estate Group has at least a 50% equity interest, excluding the capital recycling business and properties scheduled for redevelopment, etc.

Introduction of further renewable power is planned in some of the office buildings and commercial complexes in which the Mitsubishi Estate Group has a less than 50% equity interest after discussions with joint venture partners and other interested parties.

*2 The Mitsubishi Estate Group's equity interest in the Hiroshima Park Building, the Shin Hiroshima Building, and the NHK Hiroshima Broadcasting Center Building

See the following for the list of buildings that have introduced renewable energy.

List of Buildings Introducing Renewable Energy



Promoting Use of Renewable Power in Logistics Facilities

Mitsubishi Estate is working to install solar panels on the roof space of the Logicross series of logistics facilities it develops where such installations are possible. At Logicross Ebina and Logicross Zama Komatsubara, completed in November 2020 and March 2022 respectively, the initiative uses the PPA^{*} model.

* Power Purchase Agreement = a third-party ownership model for self-consumption solar power generation facilities



Logicross Zama Komatsubara, Completed March 2022



Promoting Use of Renewable Energy at Premium Outlets®

Premium Outlets® nationwide operated by Mitsubishi Estate・Simon began using 100% renewable energy for electricity (“renewable power”) used in communal areas such as the dining areas of food courts and toilets in June 2022. The renewable power used is sourced by purchasing green energy certificates*1. Ami Premium Outlets and Shisui Premium Outlets will also use power generated by carport-type solar power generators installed in 2016 and 2017 respectively.

In addition, Fukaya-Hanazono Premium Outlets (Fukaya, Saitama Prefecture), which opened on October 20, 2022, is the first Premium Outlets to operate on renewable power for all the electricity used in the facility, including tenant exclusive-use areas. The approximately 8,000MWh of electricity for the whole facility (estimated annual usage) is covered by solar panels installed on the site (estimated annual generation capacity approximately 150MWh) in addition to the use of green energy certificates.

In 2021, the annual consumption of purchased power in the communal areas of Premium Outlets nationwide was approximately 13,000MWh (actual figures of fiscal 2021; excludes solar power), which is equivalent to the consumption of approximately 3,000 regular households*2, and the introduction of renewable power will reduce CO2 emissions by approximately 5,500 tons annually.

The Group aims to continue contributing to a sustainable society through the operation of Premium Outlets.

*1 A system in which green power is treated as power with the “environmental added value” of reducing CO2 emissions with this value certified by a third party and traded in the form of certificates.

*2 Calculated based on 4,258kWh per household/per year (from FY 2020 Statistical Survey on CO2 Emissions from the Household Sector (Preliminary Report) conducted by the Ministry of the Environment).



Carport-type solar power generator for captive consumption
(Aimi Premium Outlets)



Carport-type solar power generator for captive consumption
(Shisui Premium Outlets)



Installed solar panels
(Fukaya-Hanazono Premium Outlets)



Using Renewable Power in Condominiums

Mitsubishi Estate Residence has been promoting the use of renewable power in condominiums to achieve a 50% reduction in GHG emissions by 2030 compared with 2019, the target set in January 2022.

Expanding Installation of Solar Panels on Condominiums

Mitsubishi Estate Residence has been working to utilize renewable energy by installing the soleco energy-creation system that combines high-voltage collective power systems with solar power systems in newly built condominiums with more than 40 residential units as a general rule since 2010. As of March 31, 2022, soleco had been installed in 229 condominium buildings. Mitsubishi Estate Residence will proceed with installation of solar panels on newly built condominiums for sale with less than 40 residential units where soleco has not been installed, while also introducing “soleco+^{*1}” for newly built condominiums for lease. In addition, approximately 250 t in CO₂ emissions reductions from electricity generated at 84 of the properties where soleco is already installed were qualified for J-Credits, which offset all of the electricity used in fiscal 2020 at the Mitsubishi Estate Residence head office and some of the communal areas in the same building. Since fiscal 2021, all the electricity used at Otemachi Financial City Grand Cube, which the head office occupies, has been switched to electricity sourced from renewable energy. Therefore, Mitsubishi Estate Residence is now using the J-Credits from soleco to offset electricity used in condominium sales centers^{*2}.

*1 An electricity supply system that combines solar panels and non-fossil fuel energy certificates

*2 Only projects in which Mitsubishi Estate Residence is the sales manager

Switching All Electricity in Condominiums to Non-Fossil Fuel Energy Sources (Carbon Offsetting Using Electricity with Non-Fossil Fuel Energy Certificates)

In addition to expanding the installation of solar panels, Mitsubishi Estate Residence will switch to electricity with non-fossil fuel energy certificates for the high-voltage collective power purchased at The Parkhouse brand of condominiums and enable customers to contract for electricity with non-fossil fuel energy certificates at the time of delivery for The Parkhabio brand of condominiums for lease. By doing this, the company will realize the supply of electricity with non-fossil fuel energy certificates that does not emit CO₂ in all newly built condominiums for sale and lease by 2030. Approximately 60%^{*} of the energy that customers use at home is electricity, so switching to electricity free of fossil fuels can reduce CO₂ emissions in the daily lives of customers.

* Based on research by Mitsubishi Estate Residence



Investment in Venture Company Aimed at Commercialization of New Hydrogen Energy

Mitsubishi Estate has been promoting the development of low-carbon cities through the development and operation of buildings with high energy-saving performance and district heating and cooling projects. Moving forward, we believe that in order to achieve the CO2 emissions reduction targets for the entire Mitsubishi Estate Group and realize an even lower carbon society, it is necessary to expand the use of green energy that does not emit CO2 in addition to the energy-saving initiatives implemented so far.

Therefore, in January 2019, Mitsubishi Estate invested in Clean Planet Inc., a venture company involved in pioneering innovation in the energy sector. Clean Planet has developed a new hydrogen energy technology, in which the energy output per unit of hydrogen is far greater than conventional hydrogen energy. Mitsubishi Estate and Clean Planet will work together to commercialize new hydrogen energy with a goal of reducing the cost of electricity to one tenth of the current level. We will contribute to creating the foundation for the sustainable decarbonized society set out in the Paris Accord by expanding the use of this clean new hydrogen energy worldwide.



Contributing to environment- and people-friendly urban development through high-efficiency clean energy



Working Together with Tenants

Organizing Global Warming Prevention Council Meetings

Mitsubishi Estate has been organizing yearly Global Warming Prevention Council meetings since 2008, collaborating with the tenants in its buildings. The Council meetings are convened for an explanation of CO2 emission reduction and energy-saving initiatives, based on the Tokyo Metropolitan Environmental Security Ordinance and the Energy Saving Act, and to provide updates on their progress. Mitsubishi Estate will continue this initiative to provide tenants with information on energy-saving activities underway in the building, their concrete reduction targets, and energy-saving methods that can thereby promote energy-saving activities together with its tenants.

Publication of the Sustainability Guide

Since fiscal 2019, Mitsubishi Estate and Japan Real Estate Asset Management have jointly published the Sustainability Guide, which is distributed to office tenants with support from Mitsubishi Jisho Property Management.

In order to realize the sustainable urban development and contribution to the SDGs set out by the Mitsubishi Estate Group, it is necessary to collaborate with all stakeholders involved in urban development and build cooperative relationships. The guide will primarily be utilized as a communication tool for promoting collaboration with office tenants to help facilitate a sustainable world.

● Main Topics

- Sustainability Guide Vol.1 (published 2019) : New office spaces and workstyle reform
- Sustainability Guide Vol.2 (published 2021) : What an office should be like in the "new normal" era ・ Recycling waste

Sustainability Guide Vol.1 (published 2019) (PDF 958KB)

PDF

Sustainability Guide Vol.2 (published 2021) (PDF 1.34MB)

PDF



Green Lease Program Benefits Both Owners and Tenants

Japan Real Estate Asset Management (JRE-AM), which provides asset management services for Japan Real Estate Investment (JRE), has been actively promoting renovations of equipment in building stock aimed at reducing environmental impact. Its aim is to build a portfolio that is highly rated by tenants and investors that prioritize environmental performance of buildings.

In general, building owners are reluctant to introduce environmental equipment renovations because they do not necessarily produce economic benefits commensurate with the investment. In these circumstances, JRE-AM has introduced a Green Lease Program under which a portion of the reduction in energy usage fees received by tenants is returned to building owners for a certain period. Taking advantage of the program, the company has been progressively converting lighting in tenant use areas to LED. This also has the advantage of dramatically reducing electricity fees for tenants, creating a "win-win" benefit for both tenants and building owners.

By expanding the Green Lease Program, JRE-AM will continue to provide value-added, environmentally-friendly real estate that contributes to CO2 reduction.

Establishing New Green Lease Clause

In order to promote energy conservation in collaboration with tenants, Mitsubishi Estate has established a new green lease clause in its lease agreement template.

See the following for the percentages of agreements based on the green lease clause.

ESG Data > E: Environmental data > (2) Other





Promoting Energy-Saving Measures

Promoting the Use of Carbon Neutral City Gas

Marunouchi Heat Supply Co., Ltd. began using carbon neutral city gas in March 2020 at the Marunouchi Building and the Otemachi Park Building, the first-ever use of carbon neutral gas by office buildings in Japan. The carbon neutral city gas derives from carbon neutral LNG purchased by Tokyo Gas from Shell Group with Shell Group's carbon credits used to offset the CO₂ emissions generated in all processes from exploration to use as fuel.

The carbon neutral city gas is being used in the hybrid power generation system installed in the Marunouchi Building in March 2019 and the gas co-generation system in the district heating and cooling plant in the Otemachi Park Building. As a result, significant reductions in CO₂ emissions have been achieved.

Furthermore, beginning November 2021, Marunouchi Heat Supply switched the city gas it employs at all district heating and cooling plants it operates to carbon neutral city gas. This means that now approximately 3.4 million m³ of carbon neutral city gas is supplied annually, achieving the country's highest reduction of CO₂ emissions at 97,000 t^{*1} per year, equivalent to the amount of city gas used in nearly 90,000 average households. In switching over fully to carbon neutral city gas, the company's global and environmentally minded initiatives and a strong heat network has resulted in a local heat supply business contributing to better resilience and achieving a sustainable society.

Also, with the goal of popularizing carbon neutral LNG and improving its utility value, Tokyo Gas, which procures and supplies carbon neutral LNG, along with four organizations that purchase the gas, established the Carbon Neutral LNG Buyers' Alliance in March 2021 (with 44 member companies as of end of August 2022).

*1 The CO₂ emission factor used in calculations is the value that offsets the greenhouse effect gas occurring from the process covering natural gas extraction to burning.



Underground heat supply piping



Development of Mitsubishi Estate's First Logistics Facility to Meet ZEB Standards

Logicross Zama Komatsubara, a logistics facility completed in March 2022, became Mitsubishi Estate's first facility to receive Zero Energy Building (ZEB)^{*1} certification under the Building-housing Energy-efficiency Labeling System (BELS)^{*2}. Also, we have installed solar power generation equipment on the facility's rooftop and are running a range of initiatives, such as utilizing a power purchase agreement (PPA)^{*3} model in-house consumption scheme using the power generated at the facility.

Going forward, Mitsubishi Estate plans to obtain BELS certification as a general principle for all logistics facilities built after Logicross Ebina, completed in November 2020.

*1 Buildings with annual primary energy consumption of net zero or less.

*2 A third-party certification system for evaluating and labeling energy efficiency based on the Ministry of Land, Infrastructure, Transport and Tourism's Evaluation Guidelines for Labeling Energy Efficiency Performance For Non-Residential Buildings.

*3 The second initiative for the Logicross series of facilities carried out together with SymEnergy Inc., a PPA operator.



Logicross Zama Komatsubara

Taking Measures for a Net Zero Energy Building (ZEB) at Miyako Shimojishima Airport Terminal in Okinawa

Opened in March 2019, the Miyako Shimojishima Airport terminal is Japan's first-ever airport terminal that has earned a Net Zero Energy Building (ZEB) rating. The Group has incorporated a range of sustainable, energy-saving measures. It was designed based on a plan that will make primary energy consumption around 68% less than a comparable structure built to the national standard, and for which the project was accredited with the ZEB Ready rating by the Agency for Natural Resources and Energy of Japan's Ministry of Economy, Trade and Industry. It has also earned the highest ranking of the Building-housing Energy-efficiency Labeling System (BELS), and is the first airport terminal in Japan to actively adopt CLT^{*} as a structural material for its roof.



Projects Utilizing CLT





Delivering the Industry's First ZEH Condominiums Generating Virtually Zero CO₂ Emissions from Electricity Consumption

With The Parkhabio Bunkyo Edogawabashi condominiums for lease Mitsubishi Estate Residence has delivered the industry's first ZEH (net zero energy house) condominiums generating virtually zero CO₂ emissions from electricity consumption. This property is the first in The Parkhabio brand of condominiums for lease to adopt the ZEH-M Oriented standards, recommended for high-rise housing with six or more floors.

Improving heat insulation and reducing consumption of primary energy, in addition to installing solar panels and utilizing non-fossil certificates* from renewable energy sources, enable the building to be powered by renewable energy, with the building as a whole generating virtually zero CO₂ emissions through electricity consumption. These efforts have reduced the building's total annual CO₂ emissions by 63% compared with previous levels (source: Mitsubishi Estate Residence Co., Ltd.). In principle, moving forward we plan to introduce the "soleco+" electricity supply system—which combines solar power generation and non-fossil certificates—as standard for The Parkhabio series.

In addition, Mitsubishi Estate Residence aims to make ZEH-M Oriented features (reduction of 20% or more in annual primary energy consumption) a minimum standard in all newly-built condominiums offered for sale of lease by fiscal 2025. This initiative will make it possible for customers to reduce energy use, making a significant contribution to reducing CO₂ emissions.

*1 The non-fossil fuel value of electricity generated from non-fossil fuel sources, such as solar or wind power, is isolated and presented in the form of certificates which can be traded.

*2 Excludes some properties such as those which are joint ventures.



The Parkhabio Bunkyo Edogawabashi (artist's rendering)



Combining Energy Saving and Energy Creation to Enable Sustainable Living The First ZEH-M Ready Feature for The Parkhouse Brand

As part of the Mitsubishi Estate Group initiative for sustainable urban development that proactively addresses climate change and environmental issues, Mitsubishi Estate Residence and Kintetsu Real Estate Co., Ltd. are adopting the ZEH-M Ready feature at The Parkhouse Shin-Urayasu Marine Villa residences which were offered for sale in late November 2020. This is the first condominium complex meeting ZEH-M Ready standards to be offered by The Parkhouse, the condominium series sold by Mitsubishi Estate Residence.

Net zero energy housing (ZEH) is a type of residence that aims to offset its annual primary energy^{*1} expenditure and graded standards have been set for reduction of primary energy consumption. The property has been evaluated by a third-party as reducing primary energy consumption by 50% by enhancing the energy saving performance of the building and employing energy-creating equipment such as solar power generation, etc., to generate its own electricity.

This property meets the ZEH-M Ready standard thanks to "Solei-Yu," a new energy management system developed in collaboration with Mitsubishi Estate Residence, Kintetsu Real Estate, Mitsubishi Electric Corporation, and the Kansai Electric Power Group (Next Power Company). The system combines (1) thermal insulation performance that meets the ZEH standard, (2) heat pump-type water heater group control system for effective use of solar power generation inside the building, (3) and a power supply framework that efficiently distributes solar power to each unit via a building-wide shared solar power generation and supply network. All of this reduces annual utility costs by approximately 38%^{*2} in each unit and savings of approximately 100,000 yen annually per unit.

This new style of environmentally-conscious condominium that combines energy saving and energy creation delivers environmentally-friendly, comfortable, and sustainable living.

*1 Primary energy refers to petroleum, natural gas, sunlight, and other naturally-derived energy sources. Primary energy consumption is calculated based on heating and cooling, ventilation, lighting, hot water supply, and five other categories.

*2 According to Next Power Company research.



The Parkhouse Shin-Urayasu Marine Villa



Solei-Yu

Reducing CO2 Emissions during Condominium Construction

As part of its efforts to reduce CO2 emissions during construction, Mitsubishi Estate Residence will gradually transition to using concrete mixed with blast furnace cement, which emits fewer CO2 emissions, as a general rule for on-site piling in all new condominiums for sale or rent that it develops. The company has already introduced such concrete at 10 properties (as of August 2022), including Atsugi First Avenue, Chuo Nihonbashi Hisamatsucho, and The Parkhabio Bunkyo Edogawabashi.



Including CO2 Emissions in Condominium Household Account Books to Raise Environmental Awareness

Since 2013, Condominium Household Account Books have been distributed to those considering buying a unit in The Parkhouse, a condominium sold by Mitsubishi Estate Residence, with the objective of communicating the environmental performance of the brand and stimulating energy-saving behavior. This account book presents approximation of utilities and other running costs to be incurred after moving into the condominium and communicates energy conservation performance in an easy-to-understand monetary value, thereby helping potential customers make more informed purchasing decisions.

Since October 2021, with the cooperation of MEC eco LIFE, Mitsubishi Estate Residence has been disclosing the CO2 emissions of each unit, which is expected to encourage residents to reduce emissions in their daily lives. In 2022, Mitsubishi Estate Residence began providing Condominium Household Account Books for renovated condominiums in its business buying back and reselling individual units. In recognition of its Condominium Household Account Books, Mitsubishi Estate Residence was selected in 2020 as a participating company in the “CO2 reduction action (zero emissions) movement—a sustainable society created by consumers and businesses,” an initiative of the Tokyo Metropolitan Government. Mitsubishi Estate Residence will continue to introduce the ZEH-M standard, renewable energy, and take other initiatives to achieve a 50% reduction in GHG emissions by 2030 compared with 2019, the target set in January 2022.



Condominium Household Account Book (Japanese Only)



Using ENE-FARM as a Standard Feature in All The Parkhouse Stage Detached Houses (Excludes joint venture projects)

Mitsubishi Estate Residence's The Parkhouse Stage series of detached houses have used ENE-FARM residential fuel cells as a standard feature in all homes in the area supplied by Tokyo Gas or Keiyo Gas from the design stage which began in November 2017. ENE-FARM is a distributed energy system that is gentle on the global environment because it saves energy, cuts down on CO2 emissions and limits maximum power consumption.

ENE-FARM produces electricity by causing hydrogen taken from municipal gas supplies to react with oxygen in the air. The electrical power generated is used by households and the heat generated in the process is used to supply hot water. Since the electricity is used in the same place where it is produced, there are no supply losses. The heat generated while making the energy is also used without any waste, so it is a highly environmentally-friendly system.

ENE-FARM is equipped with a continued power generating function that operates even during power outages.*1 In the unlikely event of a power outage, it provides electrical energy to power lights and communication devices through a custom outlet. Hot water and heating connected to ENE-FARM can be used as well. Furthermore, when there is a water outage or a disaster, water can be drawn from the hot water tank and used for non-drinking purposes.

To create homes that are kind to the global environment, the company will continue to actively encourage the adoption of environmentally-friendly home equipment and devices in the future as well.

*1 For ENE-FARM to produce energy during a power outage, ENE-FARM must already be producing electricity when the power outage occurs and the municipal gas and water utilities must still be supplied.



Exterior of The Parkhouse Stage Higashitotsuka, where ENE-FARM was first introduced



Combining Aerotech with Solar Power Generation to Meet Net Zero-Energy House (ZEH) Standards

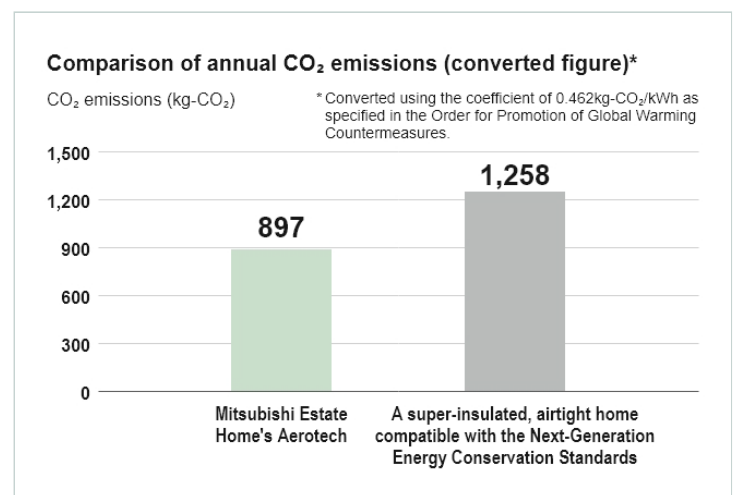
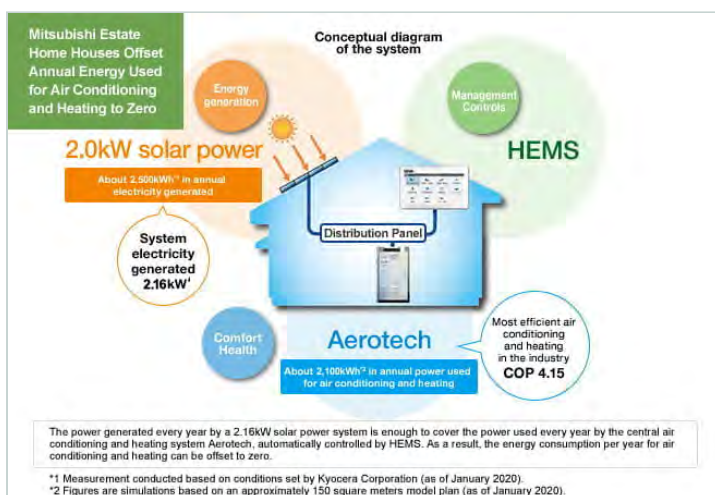
Aerotech is a central air conditioning system that Mitsubishi Estate Home offers in its custom-built homes. It provides heating, cooling, and ventilation for the entire home using a single compact indoor unit. The Aerotech system delivers the industry's top-class heating and cooling efficiency that helps lower power consumption while allowing residents to set room temperatures individually across the entire residence, including the bath and toilet. It also contributes to preventing heatstroke and heat shock by minimizing temperature differences across the home. Since its debut in 1995, the system has been installed in more than 90% of the company's custom-built detached homes, and is in use in more than 10,000 houses. Building on a track record of 25 years since its release, the company is continuing to evolve as an entire-home air conditioning system pioneer.

Starting October 2019, Mitsubishi Estate Home, in collaboration with a service provider, began offering Zuttomo Solar for Aerotech, a service that provides free installation of solar power generation equipment for customers who purchase a detached custom-built home. By combining solar power generation with features such as Aerotech and the Home Energy Management System (HEMS), CO₂ emissions can be reduced by nearly 900 kg per year compared with homes heated and cooled using individual heat pump air conditioners. Furthermore, the annual power capacity delivered by the solar power generation system (approximately 2,750 kWh equivalent^{*1}) significantly exceeds annual heating and cooling energy expenditures (approximately 2,100 kWh equivalent^{*1}).

Mitsubishi Estate Home established the CO₂ Emissions Reduction Strategy and aims to reduce CO₂ emissions by 60% (compared with fiscal 2019) by fiscal 2030 and to achieve net zero by fiscal 2050. Utilizing its Aerotech and Zuttomo Solar for Aerotech services, the company will continue promoting the Net Zero Energy House (ZEH) and the Nearly-ZEH^{*2} initiatives (target ZEH percentage by fiscal 2030: 85%) by upgrading the insulation performance of properties, using highly efficient equipment, and making innovations in design techniques. This will provide customers with an energy efficient, comfortable home environment while contributing to the reduction of CO₂ emissions.

*1 Figures are simulations by Mitsubishi Estate Home assuming an approximately 150 square meters model plan (as of January 2020).

*2 Advanced housing that looks ahead to ZEH. It features a highly insulated exterior shell and highly efficient, energy saving equipment with annual primary energy consumption close to zero through use of renewable energy, etc.





Initiatives proposed by the Architectural Design and Engineering Group; Environmental Architecture of Sharing Wellness and Happiness / Net Zero Energy Building (ZEB)

Mitsubishi Jisho Sekkei has defined "Environmental architecture" as architecture that allows residents and users to share wellness and happiness to offer high added value architectural design. It aims to be environmentally conscious, provide comfort, promote wellness, and deliver personal design for higher productivity. This new concept delivers the design of comprehensive environmental where interactions among people create new and diverse values.

Environmental Architecture of Sharing Wellness and Happiness



歓 共 健 築

KANKYO KENCHIKU

第6068002号(標準文字)、区分(第37類・第42類)



Wellness

- ▶ **Comfort** Energy saving and improving productivity
- ▶ **Wellness** Reducing absenteeism^{*1} and presenteeism^{*2}
- ▶ **Diversity** Improving productivity through personal design

*1 Absenteeism: Being absent from work due to sickness

*2 Presenteeism: Physical or mental health issues reducing work productivity while at work



ZEB Initiatives—Achieving both Net Zero Energy Building and Comfort

In addition to improving "energy efficiency" toward ZEB, we are introducing a variety of environmentally friendly technologies in large-scale buildings with the aim of creating a highly comfortable working environment that provides diverse work styles and worker preferences. These technologies have been introduced through the development of new systems, the experimental stage, and the demonstration stage in small and medium-sized buildings, and we are working on the design of tenant office buildings with next-generation energy efficiency and comfort based on simulations and actual measurements.





CO₂ Emissions Reduction Initiatives by Japan Real Estate Investment Corporation

In anticipation of the early achievement of the CO₂ emissions reduction target it unveiled in 2019, Japan Real Estate Investment Corporation (JRE) is seeking to reduce its CO₂ emissions by 80% by FY2030 compared with FY2019 and to achieve virtually zero emissions by FY2050 as new targets raising the rate of its CO₂ emissions reductions. The new targets have been certified by the Science Based Targets (SBT) initiative.^{*1} In conjunction with its application to the SBT initiative, JRE has made several changes to align with global standards, such as switching to a total emissions reduction target from its previous per-unit target, revising the base year from FY2013 to FY2019, and managing emissions reduction targets for Scope 1, Scope 2, and Scope 3.^{*2} In addition, JRE joined RE100, an international initiative encouraging companies to source 100% of the electricity they use in their business activities from renewable energy. Moreover, JRE will work to realize a decarbonized society by sourcing 90% of the electricity it uses at buildings under its ownership from renewable energy by FY2030 and 100% by FY2050.

*1 An international initiative aiming to limit the average global temperature rise resulting from climate change to below 2 °C above pre-industrial levels

*2 Scope breakdown: Scope 1: Emissions caused directly by combustion of fuel (gas, fuel oil); Scope 2: Emissions caused indirectly by combustion derived from the use of electricity and local heating and cooling; and Scope 3: Emissions caused indirectly by combustion resulting from the use of fuel and electricity in relation to tenant areas, etc.

Acquisition of ZEB Certification

Mitsubishi Jisho Design was commissioned by the Japan Real Estate Investment Corporation (JRE) to examine the possibility of reducing CO₂ emissions for its entire portfolio and to identify properties that could be converted to Net Zero Energy Buildings (ZEB)^{*1} while carrying out concrete examinations aimed at converting such properties to net-zero-energy buildings. Specifically, Mitsubishi Jisho Sekkei proposed methods for reducing CO₂ emissions after analyzing building age, building envelope performance, building scale, and air conditioning and lighting systems. Based on the analysis results, JRE set a target of converting between five and ten of its properties to net-zero-energy buildings by 2030. As a step toward achieving this target, JRE acquired ZEB Ready^{*2} certification at the design stage and a five-star rating under the Building-housing Energy-efficiency Labelling System (BELS) for its JRE Higashi-Gotanda 1-Chome and Daido Seimei Niigata Buildings.

*1 Buildings with annual primary energy consumption of net zero or less

*2 As advanced buildings in anticipation of ZEB certification, buildings awarded ZEB Ready certification are those with primary energy consumption that has been reduced more than 50% compared with standard primary energy consumption, excluding renewable energy.



JRE Higashi-Gotanda 1-Chome Building



Daido Seimei Niigata Building



Publishing the Tokyo Metropolitan Environmental Security Ordinance Report on Measures against Global Warming

Please click below to view Mitsubishi Estate's Report on Measures against Global Warming.

Mitsubishi Estate Report on Measures
against Global Warming (Japanese only)
(PDF 2.7MB)



The Environmental Bureau of the Tokyo
Metropolitan Government Public Report
Data (Japanese only)



Publication of Minato-ku Global Warming Countermeasures Report in Accordance with the Minato-ku Global Warming Countermeasures Reporting Program

See the following for Mitsubishi Estate's Minato-ku Global Warming Countermeasures Report.

Fiscal 2021 Minato-ku Global Warming
Countermeasures Report (Fiscal 2020
Results) (Japanese only) (PDF 4.7MB)



Excerpt from Fiscal 2021 List of Registered
Business Sites published by Minato-ku
(Fiscal 2020 Results) (Japanese only) (PDF
225KB)





Environment

List of Buildings Introducing Renewable Energy

In achieving its medium-to-long term targets (SBTs) for greenhouse gas emissions reductions and the target for the ratio of renewable power (RE100), the Mitsubishi Estate Group believes that it is imperative to switch the electricity used in the buildings it owns and operates to electricity derived from renewable energy ("renewable power"). Based on this recognition, the Group is steadily implementing a switch to renewable power in line with the RE100 commitment.

See the following for the list of buildings introducing renewable energy. (Buildings that have not commenced the switch to renewable electricity are excluded even where an agreement to switch has been concluded.) (As of October 20, 2022)

- * Buildings and commercial facilities in which Mitsubishi Estate's ownership is 50% or more. capital-recycling business and projects scheduled for redevelopment are excluded.
For buildings and commercial facilities in which Mitsubishi Estate's ownership is less than 50%, upon consultation with business partners and other parties, electricity from renewable energy was introduced at some projects.

Around Tokyo Station (Otemachi / Marunouchi / Yurakucho)



Marunouchi Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property [📄](#)



Shin-Marunouchi Building

Year of introduction: FY2021

For additional details of this property [📄](#)



Mitsubishi Building

Year of introduction: FY2021

For additional details of this property [📄](#)



Marunouchi 2-chome Building

Year of introduction: FY2021

For additional details of this
property



Marunouchi-Nakadori Building

Year of introduction: FY2021

For additional details of this
property



The Industry Club of Japan, Mitsubishi UFJ Trust And Banking Building

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property



Marunouchi Eiraku Building

Year of introduction: FY2021

For additional details of this
property



Marunouchi Oazo A District(Nihon Seimei Marunouchi Building, Marunouchi Kitaguchi Building, Marunouchi Hotel, Oazo (Shop&Restaurant))

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

*Marunouchi Kitaguchi Building

For additional details of this
property



Tokyo Building

Year of introduction: FY2021

For additional details of this
property



Marunouchi Park Building

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property [📄](#)



Shin-Tokyo Building

Year of introduction: FY2021

For additional details of this
property [📄](#)



Shin-Kokusai Building

Year of introduction: FY2021

For additional details of this
property [📄](#)



Kokusai Building

Year of introduction: FY2021

For additional details of this
property [📄](#)



Marunouchi Nijubashi Building

Year of introduction: FY2021

For additional details of this
property [📄](#)



Otemachi Building

Year of introduction: FY2021

For additional details of this
property [📄](#)



Otemachi Financial City Grand Cube

Year of introduction: FY2021

For additional details of this
property [📄](#)



Otemon Tower-ENEOS Building

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property [📄](#)



OTEMACHI PARK BUILDING

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property [📄](#)



TOKYO TORCH Tokiwabashi Tower

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

**For additional details of this
property** [📄](#)



Otemachi Financial City North Tower

Year of introduction: FY2021

**For additional details of this
property** [📄](#)



Otemachi Financial City South Tower

Year of introduction: FY2021

**For additional details of this
property** [📄](#)



Hibiya Kokusai Building

Year of introduction: FY2021

**For additional details of this
property** [📄](#)



Shin-Otemachi Building

Year of introduction: FY2022

**For additional details of this
property** [📄](#)



Shin-Nisseki Building

Year of introduction: FY2022

**For additional details of this
property** [📄](#)



Other areas in Tokyo



Mitsubishi Chemical Nihonbashi Building

Year of introduction: FY2021

For additional details of this
property [📄](#)



Shinjuku Eastside Square

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property [📄](#)



Shinjuku Front Tower

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property [📄](#)



Shin-Aoyama Building

Year of introduction: FY2022

For additional details of this
property [📄](#)



Akasaka Park Building

Year of introduction: FY2022

For additional details of this
property [📄](#)



Sanno Park Tower

Year of introduction: FY2022

For additional details of this
property [📄](#)



Sanno Grand Building

Year of introduction: FY2022

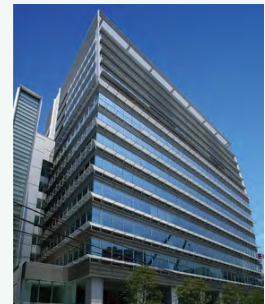
For additional details of this
property [📄](#)



Kandabashi Park Building

Year of introduction: FY2022

For additional details of this
property [📄](#)



Nibancho Garden

Year of introduction: FY2022

For additional details of this
property [📄](#)



Shibuya Cross Tower

Year of introduction: FY2022

For additional details of this property [📄](#)



Linksquare Shinjuku

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property [📄](#)



Mita Kokusai Building

Year of introduction: FY2022

For additional details of this property [📄](#)



Toyosu Foresia

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

* Owned via a TMK (tokutei mokuteki kaisha ; a form of special purpose vehicle [SPV] in Japan)

For additional details of this property [📄](#)



Toyosu Front

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property [📄](#)



Mizuho Lease Building

Year of introduction: FY2022

For additional details of this property [📄](#)



AquaCity Odaiba

Year of introduction: FY2022

For additional details of this property [📄](#)



SUNAMO Minamisago Shopping Center

Year of introduction: FY2022

For additional details of this property [📄](#)



Ponte Porta Senju

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property [📄](#)



Higashikurume Shopping Center Qurune

Year of introduction: FY2022

For additional details of this property [📄](#)



M's CROSS Omotesando

Year of introduction: FY2022



Yokohama



The Landmark Tower Yokohama

Year of introduction: FY2021

For additional details of this
property [📄](#)



MARK IS Minatomirai

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property [📄](#)

Chubu Area



Dai Nagoya Building

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property [📄](#)



Osaka



Grand Front Osaka (South building, North building, Umekita Square)

Year of introduction: FY2022

For additional details of this
property [📄](#)

Hiroshima



Hiroshima Park Building

Year of introduction: FY2022

For additional details of this
property [📄](#)



Shin Hiroshima Building

Year of introduction: FY2022

Acquisition of DBJ Green Building
Certification

For additional details of this
property [📄](#)



NHK Hiroshima Broadcasting Center Building

Year of introduction: FY2022

For additional details of this
property [📄](#)

Please see the following page for more details about the Mitsubishi Estate Group's acquisition of environmental real estate certifications, including the Development Bank of Japan (DBJ) Green Building certification and the Comprehensive Assessment System for Built Environment Efficiency (CASBEE) certification.

Promoting Acquisition of Environmental Real Estate Certifications





Environment

Reducing Waste and Preventing Pollution

Policy on Waste Reduction, Preventing Pollution, and Reducing Use of Resources

The Mitsubishi Estate Group has set a policy creating a sound material-cycle society in the Mitsubishi Estate Group Basic Environmental Policy and strives to reduce, reuse, and recycle at each stage of business, including planning, development, design, construction, management, and dismantlement. The Group also works to reduce waste, pollution, and use of resources by increasing the lifespan of buildings, including the use of existing buildings through renovation.

Moreover, in the area of Environment, one of the Key Themes stated in the Mitsubishi Estate Group 2030 Goals for SDGs, the Group has set goals for increasing waste recycling rates and reducing emissions, mainly for food and plastic in the management and operation of its properties, and is working in collaboration with tenants and other stakeholders to achieve a material-cycle society.

Goals and Achievement Status

In waste reduction, preventing pollution, and reducing use of resources, the Group has set goals for 2030 in the area of Environment, one of the Key Themes set out in the Mitsubishi Estate Group 2030 Goals for SDGs. In concrete terms it has set targets for improving the waste recycling rate to 90% by 2030 and reducing waste emissions by 20% per m² compared to fiscal 2019. The Group is implementing initiatives utilizing Plan Do Check Act (PDCA) with the aim of achieving these goals.

The Group is working to create a sound material-cycle society by taking action in collaboration with diverse stakeholders, including both tenant companies and suppliers, as well as urban residents, building visitors and other stakeholders.

See the following for the data on reduction of waste.

[ESG Data > E: Environmental data > \(1\) KPI](#)





Reducing Waste

Initiatives in Cooperation with Stakeholders

See the following for information on initiatives at Mitsubishi Estate Headquarters and initiatives in cooperation with stakeholders.

Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 1: Environment > Reducing Waste and Increasing Recycling Rate

Recycling Lunch Box Containers as a Community with the Marunouchi Eco-Bento Project

In May 2016, Mitsubishi Estate launched the Marunouchi Eco-Bento Project to promote bento ("lunch box") container recycling involving the entire community, which is the first initiative of its kind in Japan.

The project introduced a special P&P Re-repack recyclable containers coated with plastic film for bento sold in the Marunouchi area. After finishing the bento, only the lid and removed film are discarded, while the container is returned to a collection box located in each building for recycling. Mitsubishi Estate coordinates with multiple shops in the planning and operation of the project as a property developer.

During the verification test conducted with 16 participating shops in 3 buildings over a two-month period starting in October 2015, 20.8% of containers were collected, reducing nearly 665 kg of CO₂ (equivalent to the amount absorbed by 48 cedar trees in one year). Participating shops mentioned that it was an easy way to contribute to society, resulting in more participating stores across a wider area as we launch the full-scale project. Currently, 12 shops in 15 buildings participate. There are plans to reach out to more shops in the future and install additional collection points in order to further reduce the impact on the environment.

Marunouchi Eco-Bento Project (Japanese only)





Sanchi-Chokuso Ainoribin—A New Way to Deliver Regional Specialties by Consolidating Freight and Passengers

The dwindling population in recent years has caused a labor shortage in the vehicle transportation industry, resulting in increasing transportation costs. With this in mind, Mitsubishi Estate started the new Sanchi-Chokuso Ainoribin distribution service in August 2018 to enhance agricultural product distribution and deliver regional specialties to Tokyo on a regular basis.

This project is operated in cooperation with JA-Zenchu (Central Union of Agricultural Co-operatives), the Norinchukin Bank, the Association for Creating Sustainability in Urban Development of the Otemachi, Marunouchi, and Yurakucho Districts ("Ecozzeria Association"), and Up Quality Inc. In cooperation with bus companies from across the country, regional specialties are loaded into the trunk space of express passenger buses and delivered to Marunouchi. These products are sold to workers and visitors at Bus Ainori Marché, farmers market style outlets set up in the Marunouchi area, as well as to restaurants and department stores.



This service makes it possible to offer specialty vegetables and other rare items that producers are generally unable to ship out of local areas due to minimal production, resulting not only in increased income among producers and a revitalizing of the community, but also offering the chance for consumers in the city to conveniently purchase fresh, high-quality produce. Because this initiative helps tackle many problems at once, such as reducing local food loss in the production area, increasing income for transportation companies, and reducing CO₂, we are considering ramping up such efforts in the future.

Initiatives to Reduce Waste in the Detached Housing Business

In June 2022, Mitsubishi Estate Home established the CO₂ Emissions Reduction Strategy to accelerate the realization of a decarbonized society. Having established the selection of construction methods that reduce waste and materials that are easy to recycle as one of its strategies, the company will continue to promote further initiatives in this area.

Specifically, the company will aim to reduce onsite waste by promoting pre-cutting of structural, insulation, and construction materials (interior and exterior) during construction, optimization of order volumes, and improvement of construction methods. In addition to the measures taken during construction, the company also aims to reduce the frequency of repairs through the use of more durable exterior and other materials leading to a reduction in waste from repairs and demolition.



Sustainable Refurbishment of Guest Rooms at The Royal Park Hotel Fukuoka

Royal Park Hotels and Resorts refurbished guest rooms at The Royal Park Hotel Fukuoka in Hakata, Fukuoka City based on the themes of sustainability, functionality, and of local attractions in Fukuoka.

The refurbishments included some of the guest rooms and corridors on floors 2 through 8. Furniture that could still be used, including chairs and sofas, was repaired and reused in pursuit of sustainability. Functionality was also enhanced, including the ability to check on crowding in restaurants and usage of laundry rooms in the hotel via television. In addition, there was a commitment to designing the entire hotel to give a sense of local Fukuoka, including the installation of carpets inspired by local handicrafts such as Okawa joinery, Hakata walls, and Hakata spinning tops.



A refurbished standard floor guest room

The 18 Royal Park Hotels all over Japan have already been working to reduce plastic usage and promote recycling with measures that include a gradual switch to biomass products for guest room amenities and the use of 100% recycled plastic bottles for mineral water. This refurbishment of guest rooms will inspire efforts to further reduce environmental impact.

Initiatives for Effective Use of Building Stock

Effectively Using Building Stock with Building Renovation Business

Since May 2014, Mitsubishi Estate Residence has been involved in the Building Renovation Business (renovation and rental business using building stock), where small- and medium-sized buildings are renovated for earthquake resistance and to meet needs and then leased as rental properties such as offices and residences, including shared residences.

In June 2021, renovations on The ParkRex OHORIKOEN, a project which was the first lodging facility conversion, were completed in the Otemon neighborhood of Chuo-ku, Fukuoka, with FIKA Co., Ltd. unveiling its first hostel in the Western Japan area at the grand opening of UNPLAN Fukuoka.

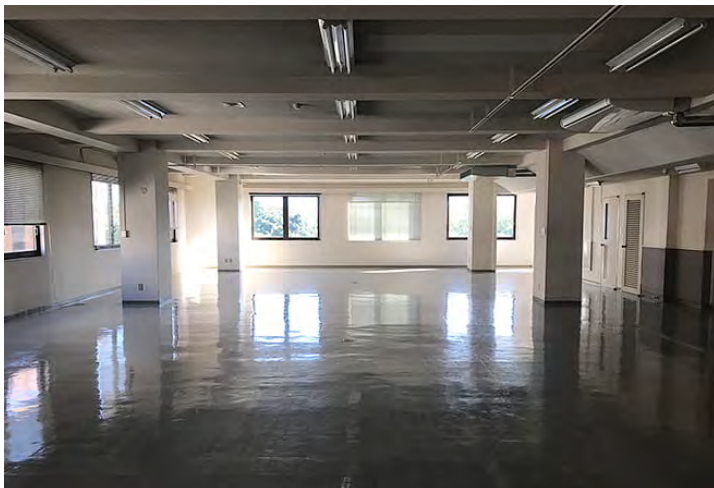
This property, a former office space owned by Blooming Nakanishi & Company, was rented and renovated by Mitsubishi Estate Residence, then sublet to FIKA which will operate it as a hostel. The renovation focused on utilizing the existing features and atmosphere of the building, while inaugurating the hostel front desk on the first floor, along with a café operated by FIKA and a renovated Blooming Nakanishi shop.

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.

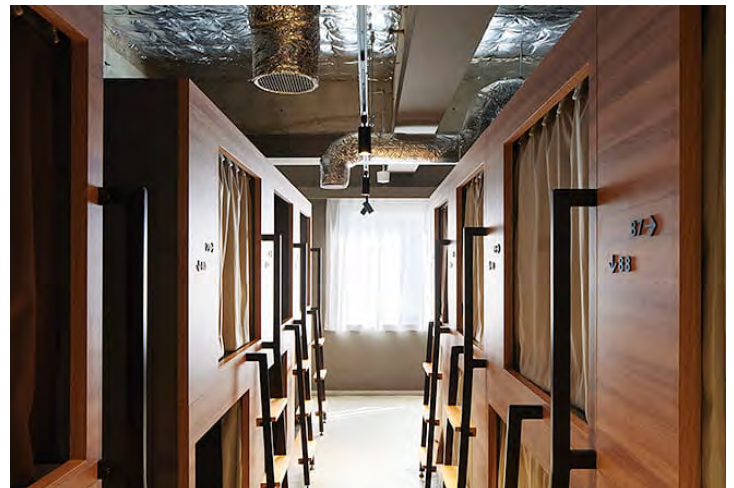
Renovation is environmentally friendly as it enables revival of buildings with less environmental impact than demolition and new construction. Moving forward, the company will continue promoting these businesses in its efforts to realize a sustainable society through the revitalization of the housing market and the effective utilization of existing building stock.

The ParkRex OHORIKOEN

Dormitory area



Before renovation



After renovation



Exterior (after renovation)



Building exterior after renovation



Renovated entrance

Major Renovation of Otemachi Building

Since 2018, Mitsubishi Estate has been carrying out large-scale renovation work on the Otemachi Building, an office building completed in 1958 and thus more than 60 years old. These renovations were completed in May 2022. In addition to an overall upgrade of the building itself, including improvements to the exterior walls and interior, and construction of a lounge and terrace for the building and neighborhood workers, Mitsubishi Estate created new networking spaces where people and companies come together, enabling venture companies and start-ups to interact with large companies. Responding to the social demand for effective use of building stock, Mitsubishi Estate will continue to embrace the challenge of buildings that last for 100 years with the aim of creating value in the form of hubs for the generation of new businesses.

The Otemachi Building has excellent transportation access as it is directly connected to Otemachi Station, where users can take five different subway lines. In addition, 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 provide diverse interaction and open innovation in the Marunouchi area, bringing together the cutting-edge technologies of multiple companies.

Furthermore, in terms of eco-friendly urban development through renovation, the project enabled a reduction of waste and building materials compared to demolition and new construction. The project has also reduced future management costs through the use of an alkali-resistant, glass reinforced cement (GRC), which is much more durable and fire resistant than ordinary cement, as the main exterior wall material. In addition, the introduction of LED lighting and adoption of Low-E double glazing with superior heat insulation properties and window frames with embedded sunshades have improved environmental performance, including energy savings from reduced heat load (reduction of approximately 44%). Mitsubishi Estate has also developed a 4,000m² open space atop the building as the Otemachi Building Skylab, the largest rooftop space for an office building in Tokyo, and created a greenery-filled workspace and the vegetable garden The Edible Park Otemachi by Grow (658m², operation by PLANTIO, Inc.), creating a new environmentally-friendly space for interaction.



Otemachi Building before renovation



Otemachi Building after renovation

Yurakucho SLIT PARK Aimed at Reconstruction of Yurakucho Utilizing Existing Building Stock

On June 1, 2022, Mitsubishi Estate opened Yurakucho SLIT PARK, a renewal of the laneway space between the Shin-Kokusai Building and the Shin-Nisseki Building in the Marunouchi area. The name of SLIT PARK embodies the concept of turning lanes in urban areas into parks. The dimly-lit space, which was previously used as a bike-parking area and as service entrances, has been transformed into an urban park space overflowing with light and greenery. The project embodies Mitsubishi Estate's commitment to utilization of existing building stock in the reconstruction of the Yurakucho area, and incorporated attempts to reuse waste materials from the construction for decorating the space. The project has also served to enhance pedestrian mobility by connecting Daimyo-Koji Avenue and Marunouchi Naka-dori Avenue via SLIT PARK.

Equipped with wi-fi and power, it can also be used as a space for work. Other features include the provision of food, drink, and merchandise services by kitchen cars and food stalls and the holding of events in which anyone is free to participate, making it a place where people can interact and create a community.

Laneway on the Daimyo-Koji Avenue side
(Before renewal)Laneway on the Daimyo-Koji Avenue side
(After renewal)



Completion of Renovations at Warwick Court, the Group's First Major Office Refurbishment Project in the United Kingdom

Mitsubishi Estate London Limited, a subsidiary of Mitsubishi Estate in the United Kingdom, completed a refurbishment project on Warwick Court in the City of London in July 2022. Warwick Court is part of Paternoster Square (construction completed in 2003), the first office developed in the U.K. by the Mitsubishi Estate Group, and the new project also marks the first major office refurbishment the Group has undertaken in the United Kingdom.

One major feature of this project is sustainability and consideration of the environment. By using the building's existing exterior design and structural elements to the fullest extent during the course of refurbishment and repurposing stone embellishments inside the entrance, CO2 emissions were reduced by approximately 70% in comparison with all-new construction. Moreover, facilities contributing to the well-being of workers were expanded with the establishment of a rooftop terrace and a terrace for the exclusive use of tenants as well as bicycle parking and showers and lockers for bicycle commuters. With these efforts, the project is expected to earn the BREEAM Excellent rating in building sustainability.

In addition to the above initiatives, the updating of facilities and private interior furnishings and refurbishment of the entrance have earned a grade-A London office building rank, creating an office with new value at a superior location.



Photo from the building front



Aerial photo
(the property is the square building
on the lower left of the square)



View from the terrace



Preventing Pollution

Introducing Biodegradable Straws and Other Eco-Friendly Items at Royal Park Hotels

The Mitsubishi Estate Group's Royal Park Hotels and Resorts have been promoting initiatives for the Sustainable Development Goals (SDGs). These initiatives include the introduction of biodegradable straws in 2018, the introduction of guestroom amenities made from biomass, and mineral water using 100% recycled plastic bottles^{*1} as measures to eliminate plastic from April 2022. These measures have now been introduced at 18 hotels^{*2} around Japan. (Not all measures are implemented at all hotels.)

Biodegradable straws are a product that has obtained the GreenPla® mark from the Japan BioPlastics Association (JPBA) and are made from plant-derived natural cycle resin using polylactic acid obtained from starch such as cornstarch. Royal Park Hotels and Resorts is working to reduce the impact on the natural environment from waste by replacing the approximately 280,000 straight plastic straws used annually with a plant-derived product.

Royal Park Hotels and Resorts is gradually switching its guestroom amenities^{*3} to SINTOWORLD's Eco-Amenity Series, which is an eco-friendly biomass product that uses raw materials containing rice husks and recycled plastics, as well as packaging materials made from paper. The hair brushes, shower caps and tooth brushes have obtained Biomass Mark 40^{*4}.

The introduction of mineral water using 100% recycled plastic bottles is also aimed at reducing waste and promoting recycling. Recycled plastic bottles, which use recyclable plastic sourced from the plastic bottles collected from the general public, are environmentally friendly in promoting a reuse cycle for plastic bottles.

*1 Some hotels are, alternatively, not providing mineral water in guest rooms.

*2 Sendai Royal Park Hotel, Royal Park Hotel (Nihonbashi, Tokyo), Yokohama Royal Park Hotel, The Royal Park Hotel Iconic Tokyo Shiodome, The Royal Park Hotel Iconic Kyoto, The Royal Park Hotel Iconic Osaka Midosuji, The Royal Park Hotel Tokyo Haneda, The Royal Park Hotel Kyoto Sanjo, The Royal Park Hotel Kyoto Shijo, The Royal Park Hotel Kyoto Umekoji, The Royal Park Hotel Hiroshima Riverside, The Royal Park Hotel Fukuoka, The Royal Park Canvas – Sapporo Odori Park, The Royal Park Canvas - Ginza 8, The Royal Park Canvas - Nagoya, The Royal Park Canvas Kyoto Nijo, The Royal Park Canvas - Osaka Kitahama, The Royal Park Canvas Kobe Sannomiya

*3 Toothbrushes, hair brushes, razors, shower caps, towels, and cotton pads

*4 A mark that can be displayed on products with a biomass content of 10% or more (dry weight) with certain quality and safety standards.

Managing Hazardous Substances

The Mitsubishi Estate Group manages and disposes of hazardous substances appropriately in accordance with relevant laws and regulations. The Group carries out disposal and procedures appropriately in accordance with laws and regulations regarding the fluorocarbon refrigerants in air conditioners and PCBs used in electrical equipment and manage them rigorously to prevent leakage and release. The Group also conducts timely surveys to identify the presence of asbestos and soil contamination and implements the appropriate countermeasures and management according to the situation.



Preventing Water Pollution

The restaurants and similar establishments above a certain size located in facilities managed and operated by the Mitsubishi Estate Group are subject to regulation by laws and ordinances related to water pollution. At facilities that are subject to the regulations, the Group has installed wastewater treatment facilities, and wastewater is treated to meet standards before being released into sewers and public waterways such as rivers and the sea.

Preventing Soil Pollution Around Condominiums

Mitsubishi Estate Residence conducts soil pollution studies prior to acquiring property for development, and we enact soil pollution prevention measures and remedies as needed.

The employee in charge uses a property acquisition checklist to review the property, and a further review of that information is carried out by a dedicated surveying company. The acquisition of property comes with the obligation to attach and submit the dedicated surveying company's survey report, and after making an acquisition decision, we are obligated to have a dedicated surveying company conduct a detailed survey (history survey) regardless of whether there is any danger posed by pollution. For the land sales contract, we clarify the duties and responsibilities of the land's seller with regard to pollution, and we implement whatever measures are necessary.

Assisting Customers During Condominium Site Acquisition






Environment

Conserving Water Resources

Basic Policy and Approach

The effects of climate change brought about by global warming have led to a greater risk of water shortages worldwide. In Japan, there are doubts about the continued stable supply of water from dams due to changing rainfall patterns in recent years. To mitigate the effect of water shortages on socio-economic activities and ensure the stable use of water, it is important to systematically promote the efficient use of water resources and enact strategies based on supply and demand considerations. We also view access to sanitation-controlled water as one of the basic human rights.

Based on this perception of the challenges, the Mitsubishi Estate Group not only complies with the laws and regulations of each country where we operate, but also promote initiatives in line with international goals, initiatives, and international standards, including the SDGs, and will implement urban development along with building development and operation giving consideration to the efficient use of and preservation and conservation of water resources and will continue working in collaboration with tenants, joint venture partners, local people involved in urban development, and government agencies to use water efficiently and reduce usage.

Initiatives for Efficient Water Use

Each company in the Mitsubishi Estate Group has built an environmental management system (EMS) and manages and implements targets for environmental activities, including water management.

See the following for the Mitsubishi Estate Group's environmental management promotion system.

[Environmental Management Promotion System](#)



See the following for data on water use.

[ESG Data > Environmental Data](#)





Goals and Achievement Status

The Mitsubishi Estate Group sets goals in accordance with its business models. For example, installation of water-saving toilets as well as kitchens, wash basins, and showers that conserve hot water is standard in The Parkhouse series of condominiums supplied by Mitsubishi Estate Residence.

See the following for water-related data.

[ESG Data > E: Environmental data > \(2\) Other](#)



Implementing Water Risk Assessments

The Mitsubishi Estate Group periodically implements assessments of water stress and water risk for properties covered by SBTs in and outside Japan using Aqueduct, an assessment tool developed by the World Resources Institute (WRI).

The risk level does not rise to the "medium-high" category in any of the areas where the Group's properties are located. For the time being, it is considered that there are no major concerns related to water use and wastewater, etc. However, the Group will continue to monitor water use and risk level at each site every fiscal year.

When developing and operating real estate in regions rated as "high" or "extremely high" risk levels, where water stress or risk is high, the Group will strive for efficient water use to mitigate impact on the local environment and engage in the appropriate consultation and dialogue with external stakeholders to ensure the proper use of water.

See the following for the results of water risk assessment.

[ESG Data > E: Environmental data > \(2\) Other](#)





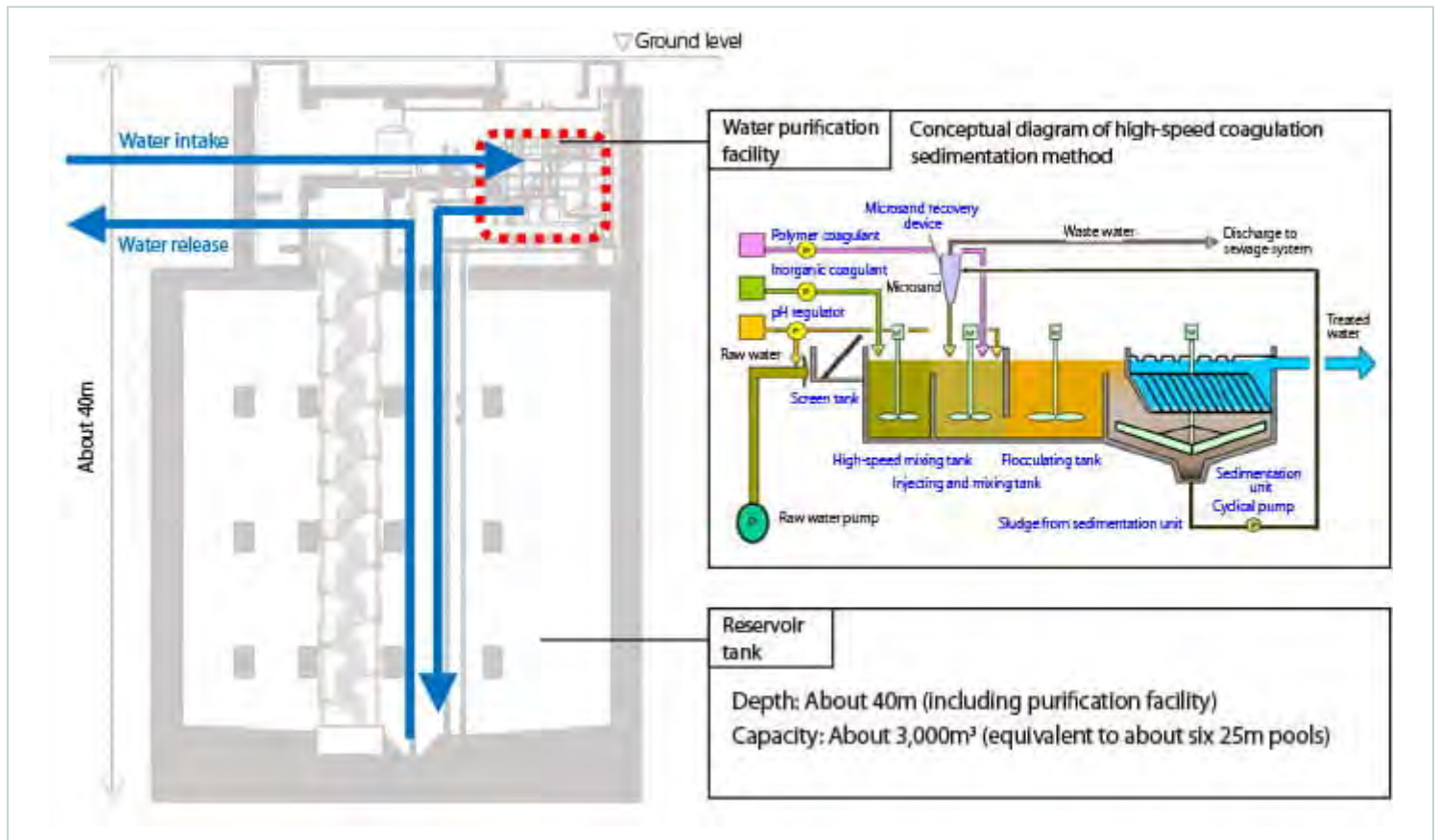
Initiatives for Improving Water Quality

Otemon Tower-ENEOS Building Equipped with Water Purification Facility for Imperial Palace Moat

The quality of the water in the Imperial Palace moat has deteriorated significantly as the result of a lack of fresh water. The Otemon Tower-ENEOS Building, which was completed in November 2015, is the first private-sector project to introduce a rapid water purification facility capable of purifying up to 500,000m³ of water per year to improve water quality in the Imperial Palace moat. Additionally, to prevent water from stagnating as a result of low water levels in the moat, the facility is also equipped with a massive water reservoir capable of replenishing water equivalent to about six times the volume of a 25m swimming pool. Since the completion of the project, the rapid water purification facility has been slowly but surely helping improve the quality of the water in the moat.



Cross-section view of purification and reservoir facility





Initiatives for Efficient Use of Recycled Water

The Mitsubishi Estate Group uses recycled water obtained by processing cooling tower blowdown, tenant kitchen wastewater, and rainwater for flushing toilets and watering outdoor plantings.

Utilizing Recycled Water on Gyoko Dori Avenue in Public-Private Collaboration

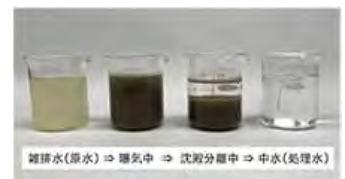
Gyoko Dori is an avenue stretching from the Marunouchi Central Gate of Tokyo Station to Hibiya Dori Avenue. Since fiscal 2010, in collaboration with the Bureau of Construction, Tokyo Metropolitan Government, Mitsubishi Estate has been implementing measures against the heat island phenomenon to curb increases in road surface temperature by sprinkling recycled water from the Marunouchi Building on this avenue. As the sprinkled water evaporates due to the high temperature it lowers the temperature of its surroundings, thereby decreasing the road surface temperature.

As part of this initiative, the Tokyo Metropolitan Government Bureau of Construction installed water retaining paving on the roadway that can store water within the paving of Gyoko Dori Avenue. Mitsubishi Estate installed equipment for sprinkling the recycled water from the Marunouchi Building on the road.

Utilizing Recycled Water at Sunshine City

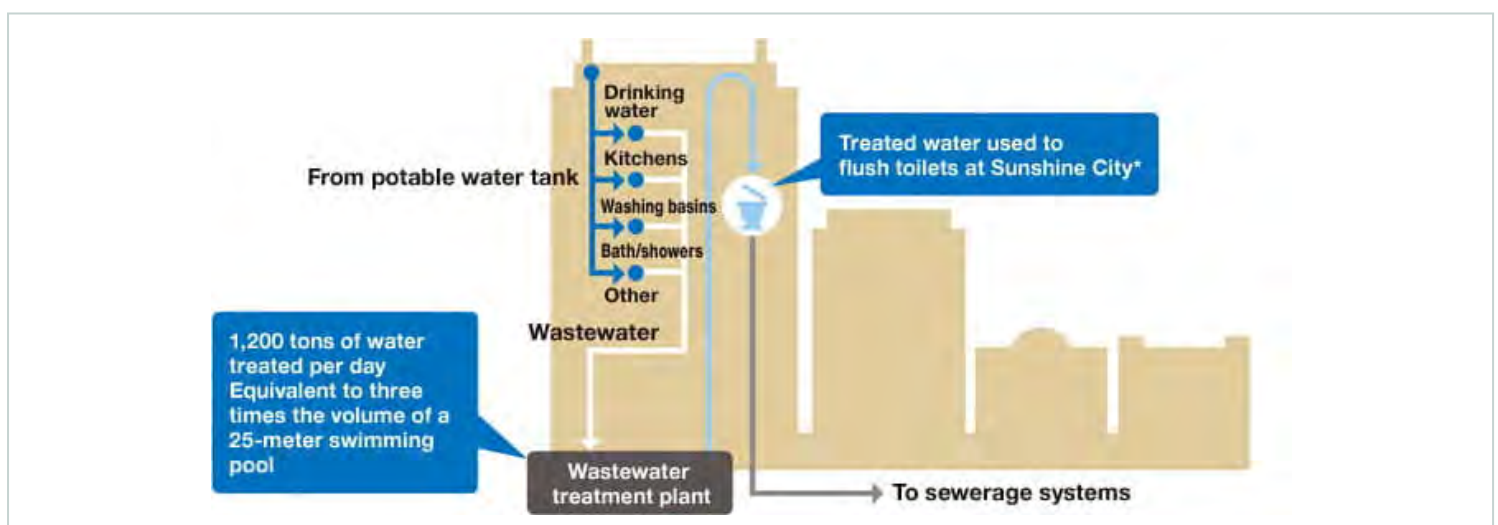
Sunshine City employs a wastewater recycling system to recover water used in its building, using the activated sludge method which treats wastewater with the power of bacteria.

The treatment system was installed 40 years ago when Sunshine City was first built. It was the first recycled wastewater system installed in Japan for a single building. The treatment plant is located in the 3rd floor basement of the Sunshine 60 Building. In a single day it recovers up to 1,200 tons of wastewater from toilet sinks, kitchen wastewater, and drain water from the Hotel bathrooms. The treated recycled water is used to flush toilets inside the building.



Process for producing recycled water

Wastewater Recycling System



* Excluding water used in warm-water washing toilet seat

A photograph of a person's hand resting on a surface of vibrant green moss. The hand is positioned on the right side of the frame, with fingers spread. The background is a dense carpet of moss, with some blurred greenery on the left side.

Environment

Preserving Biodiversity

Policy on Biodiversity

The Mitsubishi Estate Group has implemented a policy of reducing and avoiding the impact and fostering harmony between nature and human society as part of the Mitsubishi Estate Group Basic Environmental Policy. Through its business activities, the Group considers biodiversity and promotes the creation of an attractive society in harmony with nature.

In addition, the Group does not engage in development in areas designated as World Heritage Sites or in areas designated as I through IV under the International Union for Conservation of Nature (IUCN). When the Group engages in development of land likely to have an impact on biodiversity, it consults with governments, NGOs, and other external partners to take appropriate mitigation measures and remedial action.

In accordance with these policies, all Group companies consider biodiversity in the course of their business activities and develop biodiversity-friendly initiatives cooperating with NPOs and other external partners. The Group also promotes obtaining the Association for Business Innovation in harmony with Nature and Community's ABINC certification at properties with a certain amount of green space.

Through such initiatives, the Group strives to achieve a net positive impact. The Group also asks tier 1 suppliers as well as non-tier 1 suppliers to take similar initiatives aimed at a net positive impact as it works to achieve its goals throughout the value chain.



Goals and Achievement Status

As part of its efforts to ensure development in tandem with consideration for biodiversity, the Group promotes projects while holding hearings with governments and other external stakeholders starting from the project concept stage in order to comply appropriately with various environment-related laws and regulations (Forest Act, Urban Park Act and Natural Parks Acts, and Nature Conservation Act, etc.)

For example, before development, the Group works with governments to survey and provide specific protection for rare species, relocating them if necessary and periodically monitoring and reporting on them after relocation. For large-scale developments, the Group conducts an evaluation of the impact on the surrounding environment (an environmental assessment) in accordance with the Environmental Impact Assessment Act.

Moreover, Mitsubishi Estate Residence, which works on housing projects, has implemented the BIO NET INITIATIVE* as a program to plant trees and plants in a manner that will consider preserving biodiversity for all of its condominiums to be developed under The Parkhouse, the mainstream brand for the company's built-for-sale condominiums, regardless of the project size and land area. In implementing the initiative, the company has prepared biodiversity preservation guidelines composed of five main actions.

The guidelines incorporate actions such as not using invasive plants including specified foreign organisms and invasive alien species defined by the government, confirming the local plants around the project site and nurturing vegetation that is suitable for the area, and reducing chemical spaying as much as possible to lessen impact on earthworms and mole crickets, in addition to promoting the growth of plants utilizing the vital energy of the soil. The plan is to reduce the impact on the habitat of plants and animals in the area around the development and provide stopovers for diverse organisms through planting and maintenance.

In this way, the program provides an environmentally-friendly habitat for these diverse organisms while reducing the impact on biodiversity, and thereby strives to achieve a net positive impact, including the creation of habitat for plants and animals in the surrounding area.

As of May 2020, there were more than 175 projects nationwide where BIO NET INITIATIVE has been adopted.

Five Actions and Specific Examples

Actions	Specific examples
(1) Protect	- Do not use invasive plants such as specified foreign organisms and invasive alien species defined by the government.
(2) Nurture	- Confirm the local plants around the project site and nurture vegetation that is suitable for the area. - Use Japanese native species for at least 50% of plantings.
(3) Connect	- Help to secure stopovers for birds and butterflies flying in the area by creating an affinity with street greenery in the neighborhood and incorporating local native species.
(4) Utilize	- Reduce heavy pruning as much as possible and utilize the natural shapes of the trees. - Reduce chemical spraying as much as possible to lessen impact on earthworms and mole crickets, in addition to promoting the growth of plants utilizing the vital energy of the soil.
(5) Reduce	- Control the incidence of weeds and reduce weed control costs through dense plantings of low shrubs and ground cover and the spreading wood chips, etc. on the surface to reduce exposure of the soil.

* The initiative commenced in February 2015.

See the following for more information on efforts related to the BIO NET INITIATIVE.

[BIO NET INITIATIVE website \(Japanese only\)](#)





Initiatives in the Marunouchi Area

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

In recent years, 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 National Institute for Environmental Studies (NIES) Center for Climate Change Adaptation (CCCA), and the Natural History Museum and Institute, Chiba.

Flora and fauna taken from the moat are transferred to a container biotope atop a building owned by Mitsubishi Estate or Hotoria Square*, thereby preserving it outside the area as alternatives to the Imperial Palace water environment.

Rare dragonflies such as the red damselfly are congregating in ponds where the water plants are transplanted, and the restoration of the Mizohakobe (waterwort) (*Elatine triandra var. pedicellata*), previously regarded as extinct in the 23 wards of Tokyo on the Tokyo Red List 2010, was successfully reintroduced in fiscal 2019.

Moreover, since 2019, water chestnuts cleared from the Imperial Palace moat in the project have been composted. The vegetables grown with the compost in Yatsugatake are used by the Mitsubishi Estate Group, creating a new resource cycle.

In addition to restoring and preserving the water environment, including the rare flora and fauna, the project aims to build a biodiversity network in the neighborhood around the moat, thereby revitalizing the ecosystem that was once widespread in the area, as well as utilizing these activities to create a more attractive city.

* Hotoria Square is an eco-friendly green space of approximately 3,000 square meters located at the foot of the Otemachi Park Building and Otemon Tower-ENEOS Building in front of the Imperial Palace Outer Garden. Plantings mainly consist of native and local species that are found in the grove of the Imperial Palace. Also found in the square are a gently sloping body of water, stone walls, and nesting boxes for birds. Through these initiatives, Mitsubishi Estate is promoting environmental improvement and ecosystem preservation in the Marunouchi area of Tokyo.

→ Successful reintroduction of Mizohakobe (waterwort) (*Elatine triandra var. pedicellata*), an aquatic plant previously regarded as extinct in the 23 Tokyo wards, from mud in the Imperial Palace moat (Japanese only) [PDF](#)





Biomonitoring in the Marunouchi District

The Marunouchi District is bordered by the Imperial Palace and moat, Hibiya Park, and other green spaces that conserve the precious natural ecosystem in this urban neighborhood, making it a good place to observe varied animal and plant life throughout the year. Mitsubishi Estate has been running a biomonitoring survey in the Marunouchi district since 2009, in collaboration with the NPO Center for Ecological Education. It compiled the results of the survey and published the Marunouchi Living Things Handbook in June 2013. The Handbook provides information about the abundance of nature in the district and also suggests ways in which individuals can help protect biodiversity in their own areas. By doing so, the Handbook aims to function as a PDCA tool for ecosystem management in the district.



This initiative received positive feedback and won the Japan Committee for UNDB Award in the Tokyo Region Biodiversity Contest, held at the GTF Green Challenge Awards 2013 organized by the GTF Greater Tokyo Festival Executive Committee. The company will press on with its efforts to preserve biodiversity in the future.

Marunouchi Living Things Handbook (Japanese only)



Initiatives in The Edible Park Otemachi by Grow, the Otemachi Building's Rooftop Vegetable Garden

In May 2022, Mitsubishi Estate completed a major renovation of the Otemachi Building, originally constructed in 1958, and opened the Otemachi Building Sky Lab, a rooftop area of approximately 4,000m², creating a new space for human interaction.



The Otemachi Building Sky Lab features The Edible Park Otemachi by Grow (658m², management: PLANTIO, Inc.), Tokyo's biggest rooftop vegetable garden, in addition to a lush green workspace and other areas that, prior to its renewal, had been a typically utilitarian commercial building rooftop.

About 40 kinds of vegetables will be grown based on user participation starting from the stage of soil preparation, with the focus being on heirloom vegetable species considered native to Tokyo. The "grow GO" vegetable growing app allows users to monitor the growth of vegetables and take part in harvesting upon maturation. The aim is for the vegetable garden to become a hub for sustainable interaction with workers in the building, visitors, and food handlers through agriculture and food.

The Edible Park Otemachi by Grow (Japanese only)





Initiatives in Other Areas

Mitsubishi Estate Residence Obtains ABINC Certification (Condominium Category)

Mitsubishi Estate Residence has continued to obtain the Association for Business Innovation in harmony with Nature and Community's ABINC certification in the condominium category, certified annually since 2014, when this particular category was first launched.

Mitsubishi Estate Residence has been promoting BIO NET INITIATIVE, a biodiversity preservation program since February 2015 at The Parkhouse, the mainstream brand for the company's built-for-sale condominiums. Under this initiative, the company develops greenery plans for each condominium premise in a manner that will help preserve biodiversity. The company aims to obtain ABINC certification (condominium category) with projects that demonstrate particularly high levels of contribution to preservation of biodiversity.

We will continue to make efforts in environmentally friendly urban development and residential development for the preservation of biodiversity and sustainable use.

About ABINC certification (condominium category)

ABINC certification (condominium category) evaluates and certifies efforts at companies such as the creation of green spaces that consider biodiversity and the management and use of green spaces, from the four perspectives of creating environments that contribute to biodiversity, maintenance and management that considers biodiversity, communication activities, and other initiatives. Specifically, the 18 categories below have been established as the criteria for evaluation.

18 categories of ABINC certification (condominium category)



- | | | |
|--|--|--|
| 1 Size of area that contributes to biodiversity | 2 Cubic volume of greenery | 3 Creation of cohesive green spaces |
| 4 Depth of soil that supports plants | 5 Harmony with surrounding environment | 6 Creation of vegetation that is rooted in the community |
| 7 Creation of high-quality rooftop and wall greenery that contributes to preservation of biodiversity | 8 Consideration of animal habitat and movement routes | 9 Appropriate management of types and volumes of chemical substances used |
| 10 Consideration of water environment | 11 Consideration of the material cycle | 12 Monitoring of indicator organisms |
| 13 Measures to counter non-native species | 14 Qualifications of managers, etc. | 15 Collaboration with the community and experts |
| 16 System of resident, management association, and residential management trustee initiatives | 17 Promotion of environmental education programs | 18 Preservation of rare local species |



See the following for information on ABINC certification status.

ESG Data > E: Environmental data > (2) Other > 5. Green Building Certification →

List of Properties with DBJ Green Building and /ABINC Certifications (PDF 1.2MB)

PDF

Conservation and Protection Activities to Pass Down the Nature of Miyakojima, Okinawa Prefecture to the Next Generation

Shimoiishima Airport Management, a member of the Mitsubishi Estate Group, has been operating the passenger terminal facilities at Miyako Shimoiishima Airport Terminal in Miyakojima, Okinawa Prefecture, since March 2019. The Mitsubishi Estate Group initiated in July 2018 new activities to protect the rich natural environment of the Miyakojima area.

In May 2019, we collaborated with Miyakojima City, The Nature Conservation Society of Japan, the non-profit organization Miyako Island Sea Environmental Network, and Wild Bird Society of Miyako, among others, to conduct environmental conservation activities. Some 50 Mitsubishi Estate Group employees took part.

As part of the activities, we have been working to protect the grey-faced buzzard, an endangered migratory bird that migrates to Miyakojima. The area around Miyakojima is one of the most diverse bird habitats in Japan, and there have been confirmed sightings of grey-faced buzzards from all over Japan congregating and resting their wings in an area near the airport during October. We are establishing a forest suitable for grey-faced buzzards in which to rest. We also conduct clean ups of beaches where marine trash and microplastic flotsam are major concerns along with environmental training for Group employees to learn about the nature of Miyakojima.

The Mitsubishi Estate Group will continue to promote protection of the rich natural environment as well as development of the local economy.



Environmental training (fiscal 2019 event)



Beach cleanup to remove trash drifting in from Japan and overseas (fiscal 2019 event)



Sunshine Aquarium Coral Conservation Activities

Sunshine Aquarium, operated by Sunshine City, a Mitsubishi Estate Group company, is an urban aquarium located in a high-rise building, and it is the first of its kind in Japan. Conceived as an “oasis in the sky,” its considerable ingenuity reveals the true form of living creatures in dynamic exhibitions that provide the sensations of the sky, light, water, and greenery. Since opening in 1978, it has served the four roles of an aquarium: environmental education, recreation, research, and conservation of species. It has been particularly focused on providing visitors with “impressive discoveries” to stimulate their interest in the biological environment. In 2006, the aquarium 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.

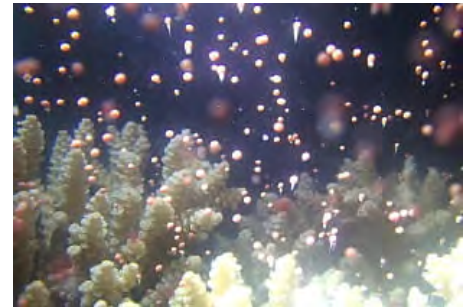
The coral reefs, which are the symbol of thriving marine environment, are in a gradual decline due to factors such as coral bleaching caused by global warming of the oceans, the natural enemy of coral. The decline of coral also risks the destruction of the surrounding marine ecosystem, leading to seas that will be uninhabitable for living creatures. In order to remedy this situation, Onna Village in Okinawa Prefecture has been implementing coral conservation activities, led by the fishermen's cooperative, since 1969. In support of these activities, Sunshine Aquarium launched a permanent exhibition on the coral of Onna and commenced the Coral Restoration Project, under which the aquarium temporarily removes part of the coral of Onna Village, grows it in tanks, and then returns it to the seas of Okinawa. This makes it possible to preserve the DNA of the coral of the Onna Village and reproduce it even if the coral 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. The aquarium will continue these activities into the future with the hope of restoring the coral reefs.



Coral returned in the Coral Restoration Project



Coral spawning in the Coral Reef Regeneration Project



Coral Project (Japanese only)





Initiatives at MARK IS Minatomirai

MARK IS Minatomirai is a commercial complex located in the Minatomirai area of Yokohama, Kanagawa. Based on the concept of a "life entertainment mall," it offers a variety of products and services so that all shoppers can enjoy a relaxing visit and find what they need to lead fulfilling lives.

Everyone's Garden is a nearly 1,000m² rooftop garden on the fifth floor that brings a lush green space to the city environment of Yokohama. Here, visitors will find a diverse variety of plant life with approximately 80 species, including over 30 types of fruit trees including citrus varieties, and various garden vegetables. In addition to the orchard and vegetable garden, there is also a vegetable garden terrace that visitors can use for things discovered and picked in the garden.

Everyone's Garden is a casual venue that offers city dwellers a rare chance to commune with the earth and nature. It is designed and operated as a place to be enjoyed by visitors while preserving biodiversity and significantly contributing to the environment.



Orchard



Vegetable garden



Vegetable garden terrace

Facility operation and management: Mitsubishi Jisho Property Management Co., Ltd.

Vegetable garden management: Green Wise Co., Ltd.

Biodiversity preservation initiatives at Everyone's Garden

1. Biodiversity conscious planting

The diverse environmental plan includes over 30 types of fruit trees, vegetation that bears fruit for creatures and serves as sources of nectar, along with vegetable gardens and small rice paddies, etc.

2. Human and creature friendly plant care methods

Garden management methods are planned and utilized to both care for the plants and create an environment where people, small birds, and insects can gather and rest.

3. Designed to attract living creatures

The garden is designed as an environment where small birds can feed, rest, and raise their young, coexisting with insects while exerting a positive influence on plants

4. Activities that teach about living things in a fun way

Rather than conventional environmental activities, activities are planned in a way so that visitors can enjoy nature while resulting in contributions to the environment.

* Check the MARK IS Minatomirai website for the latest event information, measures to prevent the spread of COVID-19, and opening hours. (Japanese only)

→ [MARK IS Minatomirai official website](#)



Watch the following video clips to learn more about living creatures and plants at Everyone's Garden (Japanese only)

A Stroll in Everyone's Garden



Let's Identify Various Types of Leaves!



MARK IS Minatomirai is ABINC certified by the Association for Business Innovation in harmony with Nature and Community.



MARK IS Minatomirai



Environment

Promoting Sustainable Use of Wood

Basic Policy and Approach

The Mitsubishi Estate Group has established a policy of fostering harmony between nature and human society as part of the Mitsubishi Estate Group Basic Environmental Policy. The Group is committed to no gross deforestation and promoting the sustainable use of wood as it considers biodiversity through its business activities.

Moreover, in the area of Environment, one of the Key Themes stated in the Mitsubishi Estate Group 2030 Goals for SDGs, the Group has set goals for promoting the sustainable use of wood and ensuring the traceability of wood used in business activities. It will continue working for sustainable uses of wood giving consideration to respecting human rights and protecting natural resources in areas where imported timber is harvested.

Targets and Status of Achievement

From the perspective of human rights and environmental protection, the Mitsubishi Estate Group uses timber based on the Sustainable Sourcing Code (certified timber or Japan-grown timber) or equivalent as the timber in the concrete wall panels used when building offices or housing with a target of achieving a usage rate of 100% by fiscal 2030 to eliminate forest destruction. Moreover, in the Mitsubishi Estate Group Green Procurement Guidelines, the Group stipulates use of timber products certified by forest certification systems that can verify that they are from properly managed forest resources, and mandates consideration given to promoting the use of Japan-grown timber. This applies to all of the products, services, designs, and construction procured by the Mitsubishi Estate Group, and the Group requests the cooperation of all suppliers.

The Group also complies with policies on the sustainable use of timber and forest-related laws and regulations and has developed mechanisms to monitor and ensure compliance.

See the following for the Mitsubishi Estate Group's latest Japan-grown timber usage rate.

[ESG Data > E: Environmental data](#)





Primary Initiatives

Promoting Use of Cross Laminated Timber (CLT)

The Mitsubishi Estate Group promotes sustainable manufacturing by using Japan-grown timber. In recent years, the Group has promoted the use of cross laminated timber (CLT) as a construction material that expands timber usage opportunities.

[Promoting Utilization of CLT to Further Expand Use of Japan-grown Timber](#)



Making Use of Japan-grown Timber for Wall Frames and Structural Timber

Mitsubishi Estate Home actively utilizes Japan-grown timber with clear traceability in order to ensure the appropriate use of forest resources and the sustainable development of the timber industry. By using Japanese timber in a sustainable way, the company helps to create sound and well-maintained forests, contributing to a forest cycle of "plant, raise, use, and plant."

See the following for data on use of Japan-grown timber

[ESG Data > E: Environmental data > \(1\) KPI > 2. Resources \(Waste, Water, Forestry Resources, etc.\)](#)



Initiatives with material for wall frames

Since 2015, due to reasons including the revision of Japan Agricultural Standards for Japan-grown lumber and jointed lumber, Mitsubishi Estate Home has created a system for the stable procurement of domestically grown timber produced under thorough quality management, through such means as individually measuring the strength of each Japanese cedar lumber used for wall frames.

Mitsubishi Estate Home began using Japan-grown timber for its wall frames in new homes using the 2×4 method in all homes as a standard practice from November 2018. As a result, the percentage of Japan-grown timber used for the structural timber in new custom-built homes has reached the highest level among 2×4 homebuilders in Japan.



Example of construction of wall frames using Japan-grown timber



Projects to promote the use of Japan-grown timber

Mitsubishi Estate Group is working to promote efficient and increased use of timber grown in Yamanashi Prefecture in collaboration with the Group's initiative "**Experience Nature**" Project. This program strives to promote interaction between urban and rural residents in Hokuto City, Yamanashi. In April 2018, Mitsubishi Estate began using FSC-certified Japan-grown timber for the laminated wood used in floor structures as a standard practice.* The Group promotes the responsible use of forests in a way that is both economical and sustainable, and is working to create a cyclical society that coexists with nature.



Example of use of Japan-grown timber

In addition, Mitsubishi Estate Housing Components is promoting the use of Japan-grown timber in structural parts of single homes. In August 2010, it acquired an international standard (FSC-CoC certification) so that it could distinguish between these and other products in the chain of custody.

FSC-N002014

The FSC® (Forest Stewardship Council®) logo issued by the Forest Stewardship Council certifies that the wood or wood fibers used in a product were produced from forests managed properly in terms of the environment, society, and the economy. The mark provides a guarantee that the forest was assessed by an independent third-party organization based on principles and standards stipulated by the Council.

* Excludes some products

Building a network that can sustain a forest economy



Mitsubishi Estate Home Launches the KIDZUKI Concept to Promote Wooden Structures and Finishes

From preventing global warming and reinvigorating local communities, the advantages of wooden structures and finishes has been widely recognized and their need has increased rapidly in recent years. Using our knowledge of wood accumulated over many years at Mitsubishi Estate Home, we have launched the KIDZUKI concept to promote wooden structures and finishes not only among buildings, but across a wide range of fields.

The name KIDZUKI is a portmanteau of the Japanese words for wood, awareness, and to build, encapsulating the idea of creating new value. The aim is for KIDZUKI to be a platform for various wood-based ideas and projects, forming a network to share issues, needs, and solutions among business operators in various fields, governments, and creators.

In collaboration with a number of wood furniture makers, projects are under way to develop original wooden products, as well as regional revitalization projects through effective use of wood in cooperation with universities and government agencies. We aim to build a full-featured platform as a networking venue for learning more about wood and augmenting its possibilities.

KIDZUKI (Japanese only)



World's First Flat Mass Timber Construction Method Developed – A New Timber-Constructed Custom-Built Home Brand is Born

To meet the needs of customers who demand a greater level of freedom in their wooden homes, Mitsubishi Estate Home has developed the world's first patented technique called the Flat Mass Timber (FMT) Construction Method and unveiled ROBRA brand of wooden custom-built homes utilizing this method.

The FMT Construction Method is a hybrid technique that uses both wood and steel frames. By making the most of large cross-section laminated wood plank panels, a simple, strong design can be achieved with minimal intrusion of construction elements such as walls and beams into living spaces. This method allows for greater freedom over designs, including dynamic concepts that allow myriad placement options. This is the world's first patented construction method, and was registered in October 2019.

ROBRA is the brand for wooden custom-built homes using the FMT Construction Method. Based on the brand concept, "turning wooden structures into art," it delivers style unconstrained by time and place, achieved inside single, large living spaces. Embracing the current worldwide shift toward wood in the construction industry, the brand offers the possibilities of environmentally friendly wood applications in fresh exterior design concepts. The company started offering ROBRA homes in September 2020, with its first model home debuting at Komazawa Stage 1 Home Gallery.

Among medium-sized wooden structures as well, we have been selected as the business operator for a development project at a new location owned by the Tokyo metropolitan government in the Kohoku area of Adachi-ku, and the FMT construction method is being used on the first floor where a tenant is scheduled to move in.



Structural body



Exterior view



Exterior view (artist's rendering)

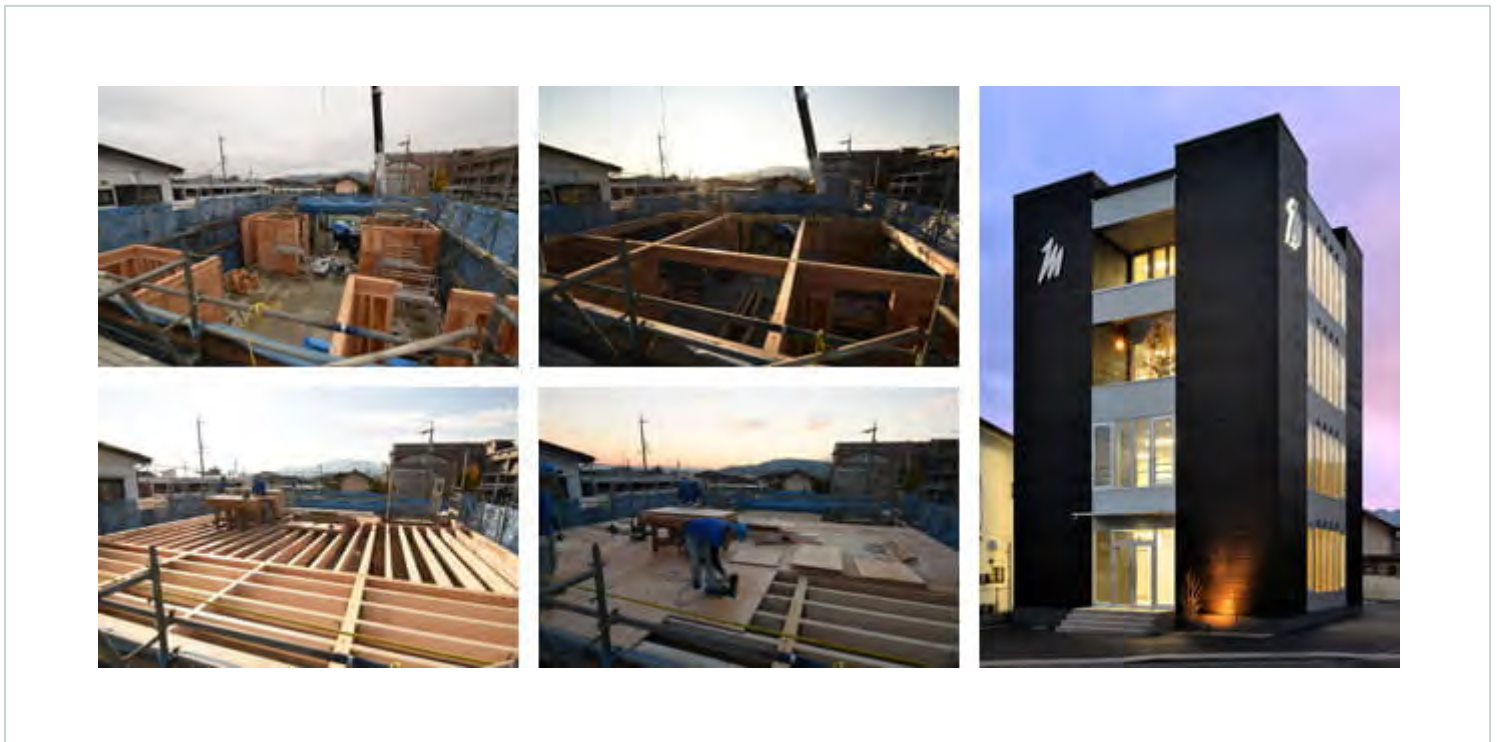


Interaction space (artist's rendering)



Manufacturing Environmentally-Friendly, Highly Durable Wall Panels with High Yield Strength

Mitsubishi Estate Housing Components manufactures highly durable, high yield strength wall panels with approximately 14 times the strength of conventional panels for use in four-story wooden structures built with the 2×4 method. The panels use Shinshu larch for 24 mm thickness structural plywood, which is not normally used for houses. They also use domestic Japanese hinoki cypress and Japanese cedar for laminated wood and laminated wall supports. Additionally, 54% of the building's frame is made from Japan-grown timber, helping revitalize the domestic forestry industry. Furthermore, the insides of the wall panels are able to secure the equivalent of 68 tons of CO₂, making them environmentally-friendly wooden structures.



Construction using highly durable, high yield strength wall panels

Engagement with External Stakeholders

In September 2018, Mitsubishi Estate initiated the Construction and Real Estate Human Rights Due Diligence Study Group in which eight real estate and construction-related companies participate. As part of this initiative, the company holds study groups with other companies in these industries on the use of sustainably sourced timber from the perspective of environmental protection and respect for human rights. The aim of discussions at the study group is to deepen understanding about the risks of environmental destruction, including violation of human rights and destruction of forests and to expand the use of sustainably sourced timber going forward.

See the following for more details on the study group.

[Launch of the Construction and Real Estate Human Rights Due Diligence Study Group](#)








Environment

Promoting Acquisition of Sustainability Certifications





Policy on Obtaining Sustainability Certifications

Mitsubishi Estate recognizes that addressing environmental and social considerations in real estate and indicating performance on these considerations externally is important to meet the expectations and demands of stakeholders such as tenants and investors. Therefore, the company has a policy of proactively obtaining sustainability certifications whenever possible.

In Japan, Mitsubishi Estate has obtained certifications that include DBJ Green Building Certification, Comprehensive Assessment System for Built Environment Efficiency (CASBEE), and Building-Housing Energy-efficiency Labeling System (BELS), while the main certifications obtained overseas include Leadership in Energy and Environmental Design (LEED) and BRE Environmental Assessment Method (BREEAM) certifications.

Evaluation/Certification System	Overview
DBJ Green Building Certification	<p>DBJ Green Building Certification is a certification system established by the Development Bank of Japan (DBJ) in April 2011 as an initiative to support environmentally and socially conscious management of real estate. Based on a comprehensive assessment which covers such areas as environmental performance, disaster prevention, community considerations and other stakeholder engagement, the system evaluates and certifies real estate anticipated by society and the economy.</p> <p>→ DBJ Green Building Certification </p>
Comprehensive Assessment System for Built Environment Efficiency (CASBEE)	<p>CASBEE is a system for comprehensively assessing the quality of buildings, including interior comfort and consideration to landscape as well as environmental considerations such as energy conservation and use of materials and equipment with low environmental impact. It was developed by a research committee established for comprehensive environmental assessment of buildings in April 2001 as a collaborative project between industry, academia, and government under the auspices of the Ministry of Land, Infrastructure, Transport and Tourism, and has been continuously upgraded and maintained since.</p> <p>→ Institute for Building Environment and Energy Conservation </p>
Building-Housing Energy-efficiency Labeling System (BELS)	<p>BELS is a system for the assessment and certification of energy efficiency performance in newly built and existing buildings by a third-party organization. In April 2016, the scope of the system was expanded to residential buildings, and it was designated as one of the third-party certifications in the Guidelines on Building Energy Efficiency Labelling based on Article 7 of the Act on the Improvement of Energy Consumption Performance of Buildings (Building Energy Efficiency Act).</p> <p>→ Association for Housing Performance Evaluation and Labeling (Japanese only) </p>



Evaluation/Certification System	Overview
Leadership in Energy and Environmental Design (LEED) certification	<p>LEED is a system for assessing environmental performance of buildings and site use developed and operated by the U.S. Green Building Council (USGBC).</p> <p>→ U.S. Green Building Council </p>
BRE Environmental Assessment Method (BREEAM) certification	<p>BREEAM is an environmental assessment system developed by Building Research Establishment Ltd. (BRE) in the UK in 1990 as a tool for assessing the sustainability performance of buildings, communities, and infrastructure.</p> <p>→ BREEAM </p>
WELL Building Standard	<p>This is an environmental performance evaluation system for buildings and urban subdivisions with a focus on health and wellness. It is operated by International WELL Building Institute (IWBI) and certification is handled by Green Business Certification Inc. (GBCI). The latest version, WELL v2, was launched in 2020, and consists of the following 10 concepts: air, water, nourishment, light, movement, thermal comfort, sound, materials, mind, and community.</p> <p>→ WELL </p>
SITES Certification	<p>The Sustainable SITES Initiative (SITES). Designed by the U.S. Green Building Council (USGB), which designs and updates the LEED rating system, the certification is administered by Green Business Certification Inc. (GBCI) in the U.S. It offers guidelines and a quantitative evaluation system on green infrastructure design, technology, and management. Certification is now available outside the U.S. with v2.</p> <p>→ The Sustainable SITES Initiative (SITES) </p>



Environmental Design Policies and Incentive Programs

In working toward achieving the goals put forth in “Environment,” a key theme in Mitsubishi Estate Group 2030 Goals for SDGs, Mitsubishi Estate has established real estate development environmental design policies as well as incentive programs for leading projects, to promote real estate development business that contributes to sustainability goals.

The Company has established the Sustainability-Minded Construction Architectural Design and Construction Policies for real estate development that outline the conditions required by type and scale, in areas such as design specifications, building materials, and construction methods. This document is included with a written quote outline when we receive construction projects.

Additionally, in fiscal 2022, the Company launched programs that provide incentives to those implementing advanced sustainability initiatives in the process of deciding on investments in new development projects.

Architectural Design and Construction Policies



The following policies were established with an aim of achieving Mitsubishi Estate Group 2030 Goals for SDGs and decarbonized society

1. Acquisition of sustainability certifications
2. Initiatives to improve energy-saving performance
3. Introduction of renewable energy source and equipment
4. Use of water
5. Selection of building materials
6. Building material attributes, certifications, etc.
7. Sustainability efforts at construction sites

Incentive Programs



Promote sustainable development projects internally by introducing incentives such as relaxation of investment criteria with projects that meet certain sustainability requirements

Goals and Achievement Status

See the following for the status of environmental certification acquisitions.

[ESG Data > E: Environmental data > \(2\) Other > 5. Green Building Certification](#)



[List of Mitsubishi Estate Group Properties with DBJ Green Building and ABINC Certifications \(PDF 1.2MB\)](#)





Acquisition of WELL Core Precertification under WELL v2 for the Chiyoda 1-Bancho Project (Tentative Name) — Supporting Workstyles That Emphasize Well-Being

Mitsubishi Estate has become the first company in Japan to receive precertification for WELL Core—which can be acquired by buildings occupied by tenants—under WELL v2, the latest version of the WELL Building Standard (WELL Certification), an international ratings system for buildings that emphasizes the health and well-being of people. The Company received the precertification for the Chiyoda 1-Bancho Project (tentative name), which it is advancing in Chiyoda Ward, Tokyo, for reasons including the high evaluation of the project's promotion of urban development in line with WELL development concepts, the introduction of a panel heating and cooling system, the facilitation of fitness for workers, and the provision of operable windows that offer ample natural light. Following completion of the project, we aim to obtain platinum certification, the standard's highest certification level.

Recent years have seen an increasing number of companies acquiring WELL Certification for areas of buildings reserved for office space. However, meeting the WELL Core certification standards for the actual building has the advantage of enabling tenant companies to more easily pursue WELL Certification for their office spaces by, for example, exempting them from screening for certain evaluation items. With the preliminary certification as a forerunner to further efforts, we will continue proactively supporting workstyles that emphasize well-being and enhancing office value from the perspective of concern for the environment.



Chiyoda 1-Bancho Project at the time of the precertification announcement; view of building exterior



Acquisition of SITES[®] Gold Certification for Tokiwabashi Tower and TOKYO TORCH Park, Thereby Becoming the First Urban Mixed-Use Development Project in Japan to Acquire Such Certification

TOKYO TORCH Tokiwabashi Tower and TOKYO TORCH Park have acquired SITES[®] Gold Certification, an environmental certification that evaluates primarily the sustainability of landscapes, becoming the first urban mixed-use development project to receive such a certification in Japan.

Furthermore, these sites have been newly registered under Edo-Midori Green Area, a system by the Tokyo Metropolitan Government for registering and publicly announcing green spaces where native plant species are actively planted and where biodiversity is conserved. With this registration, TOKYO TORCH Tokiwabashi Tower and TOKYO TORCH Park have now acquired five environmental certifications—the others

being DBJ (Development Bank of Japan) Green Building Certification, Social and Environmental Green Evaluation System (SEGES) certification, and Association for Business Innovation in Harmony with Nature and Community (ABINC) certification—bringing them to a globally leading level in terms of environmental awareness.

Going forward, we will continue to promote urban development with an even greater awareness of the environment, with the goal of opening all sites of the TOKYO TORCH project by fiscal 2027.



TOKYO TORCH Park

THE Sustainable
SITES
Initiative[®]





Efforts to Acquire Environmental Certification in Overseas Business

The Mitsubishi Estate Group operates globally. Since Mitsubishi Estate New York was established in 1972, we have expanded our real estate development and rental business in the U.S., the U.K. and other European countries, as well as Asia and Oceania, making the most of our track record and wide-ranging network. We are engaged in socially and environmentally conscious urban planning with people in these regions.

Initiatives in the United States

In the U.S., the Mitsubishi Estate Group carries out a wide range of projects, primarily through Rockefeller Group International. In addition to owning and operating large-scale office buildings in areas of Manhattan in New York, the Rockefeller Group manages a range of development projects around the country, including office, residential, industrial, and mixed-use projects. Industrial projects in particular have established the Group as a leading developer in the main industrial markets of New Jersey and the Inland Empire, California. Moreover, the industrial sector is expected to expand further due to the dramatic growth of e-commerce within the U.S. over the past few years. It aims to raise the value of real estate with a focus on environmental performance, and therefore works to acquire LEED certification on both its new development buildings and existing buildings.

Projects earning environmental certification (examples)



GOLD

1271 Avenue of the Americas, New York

Located in Manhattan, this building completed in 1959 underwent large-scale renovations from 2016 to 2019. The entire outer curtain wall was replaced and the air conditioning equipment was replaced with energy efficient models, resulting in the building attaining LEED Gold status in 2020.



GOLD

1901 L Street, Washington, D.C.

Located in central Washington, D.C., this building was co-developed with the U.S. real estate company The Meridian Group. It is the result of an extension on a 1970s office building and large-scale renovations. The building was completed in 2019 following environmentally-friendly plans and was awarded a Gold LEED rating.



GOLD

Paradigm River North, Colorado

Located in central Denver, this 8-story, 19,000 m² office building was jointly developed with local real estate company Jordon Perlmutter & Co. Construction began in 2022 with a planned completion date of 2025. With environment-friendly plans, we are aiming for a Gold LEED rating.



Initiatives in Europe

Since the establishment of Mitsubishi Estate London in 1986, the Mitsubishi Estate Group has handled real estate leasing and development projects for office and leasing properties in central London and continental Europe. With an emphasis on the environmental aspects of its properties the Group has earned BREEAM certification for newly developed buildings as well as buildings already owned.

Projects earning environmental certification (examples) **BREEAM**



Outstanding (planned)

8 Bishopsgate (tentative name), London

8 Bishopsgate (tentative name) is a high-rise office building in London whose construction began in February 2019, and is expected to be completed in fiscal 2022. In addition to installing a biodiversity-conscious outdoor terrace, the building is equipped with environment-friendly, sustainable features, including a closed, double-skin glass façade, providing good environmental performance that is easy to maintain, and advanced rainwater storage and reuse systems. The project is expected to earn a BREEAM Outstanding rating.



Excellent

Warwick Court, London

Completed in July 2022, this building made the most of the original edifice's exterior and structural elements during the course of refurbishment while repurposing stone embellishments inside the entrance, resulting in a CO₂ emissions reduction of approximately 70% in comparison with all-new construction. Moreover, facilities contributing to the well-being of workers were expanded with the establishment of a rooftop terrace and a terrace for the exclusive use of tenants as well as bicycle parking and showers and lockers for bicycle commuters. With these efforts, the project is expected to earn the BREEAM Excellent rating in building sustainability.

Initiatives in Asia and Oceania

In Asia and Oceania, the Group established the subsidiary Mitsubishi Estate Asia Pte. Ltd. in Singapore in 2008, followed by Mitsubishi Estate (Shanghai) Ltd. in China in 2013. The Group opened its Taiwan Representative Office in 2017 and established Mitsubishi Estate Taiwan Ltd. in 2018, PT. Mitsubishi Estate Indonesia and Mitsubishi Estate Vietnam Company Ltd. in 2019, Mitsubishi Estate (Thailand) Co., Ltd. in 2020, and Mitsubishi Estate Asia Pte Ltd in Australia in 2021. The Group operates in Singapore, Indonesia, Vietnam, Thailand, Malaysia, and the Philippines, Australia, and China, developing office, residential, and retail properties.



Projects earning environmental certification (examples)



Trinity Tower, Indonesia

This is a large-scale office building project which Mitsubishi Estate has developed jointly with The Gesit Companies, Santini Group, and Shimizu Corporation. The project was awarded Best Green Development in the PropertyGuru Indonesia Property Awards 2018, which is given to outstanding real estate projects in Indonesia, in recognition of its advanced environmentally-friendly initiatives. With the commencement of building operation in July 2021, the project earned a Gold rating by the Green Building Council Indonesia (GBCI) in its GreenShip New

Building (NB) Version 1.2 rating platform.



CapitaSpring, Singapore

November 2021 saw the completion of CapitaSpring, a mixed-use facility in the center of Singapore that Mitsubishi Estate had developed jointly since 2017 with CapitaLand Group, one of Asia's largest real estate companies. Consisting primarily of offices, CapitaSpring is a high-rise, large-scale, mixed-use facility with 51 aboveground floors and a total floor area of more than 93,000 m² and features serviced apartments, retail facilities, and other amenities. With its outstanding environmental performance—highlighted by its exterior design evoking nature, efficient use of water and energy, a green area for strolls, and an extensive green area provided by the rooftop

garden—CapitaSpring has received Green Mark Platinum, the highest award for the Building and Construction Authority (BCA) Green Mark, Singapore's most recognized environmental performance indicator. Through this facility, we propose new styles of working and living to a wide range of people near Raffles Place station, Singapore's foremost office area.



Parkline Place, Australia

At Parkline Place, a premium office building project, where development is under way in Sydney with the Oxford Properties Group and their subsidiary Investa, Mitsubishi Estate concluded a financing agreement for use as property construction funds thanks to a Green Loan*. Using the funds from this loan, we plan to engage in

environmental design that promotes efficient use of energy and resources, and to recycle approximately 90% of construction waste. Through these efforts we aim to attain 6-Star status, the highest level of Australia's real estate environmental certification as well as Core and Shell Certification v3 in the international WELL Building Standard certification program for health and wellbeing.

See the following for more information on green loans.

[Sustainability Activities \(ESG\) > Environment > Adopting Sustainable Finance](#)





Environment

Adopting Sustainable Finance

Issuance of Mitsubishi Estate Sustainability-Linked Bonds

With the aim of realizing a sustainable world, the Mitsubishi Estate Group established the Mitsubishi Estate Group Sustainability Vision 2050 expressing its vision for 2050 and the Mitsubishi Estate Group 2030 Goals for SDGs as a milestone setting out the concrete themes and actions for achieving this vision. In its Long-Term Management Plan 2030 as well, the Group has also established sustainability as a key driver for providing value through its business and is seeking to solve social issues through business activities.

In July 2022, to further promote initiatives aimed at the realization of a sustainable world, the Group formulated the Mitsubishi Estate Sustainability Vision 2050-Linked Bond Framework and issued sustainability-linked bonds in accordance with the framework. Sustainability-linked bonds are bonds with variable financial and structural characteristics depending upon the achievement of sustainability targets that a company sets in advance. The Mitsubishi Estate Sustainability Vision 2050-Linked Bond Framework has obtained a third-party opinion from Japan Credit Rating Agency, Ltd., a third-party evaluation organization, on its alignment with the ICMA Sustainability-Linked Bonds Principles 2020 and the Ministry of the Environment's Green Loan and Sustainability Linked Loan Guidelines 2020.



Overview

Name	Mitsubishi Estate Co., Ltd. 139th – 141st Unsecured Bonds (Mitsubishi Estate Sustainability-Linked Bonds)		
Terms decision date	July 15, 2022		
Issue	139th bonds	140th bonds	141st bonds
Issue date	July 22, 2022	July 22, 2022	July 22, 2022
Redemption date	July 22, 2027	July 22, 2032	July 22, 2052
Term	5 years	10 years	30 years
Issue amount	20.0 billion yen	20.0 billion yen	20.0 billion yen
Interest rate	0.360%	0.644%	1.543%
KPIs	Percentage of electricity from renewable energy sources	Percentage of reduction in total GHG emissions, including CO ₂ , in the Group's value chain	(1) Percentage of reduction of total GHG emissions, including CO ₂ , in the Group's value chain (2) Percentage of female managers
SPTs^{*1}	Achieve 100% by FY2025	At least 70% for Scope 1 and 2 combined, at least 50% for Scope 3 (base year: FY2019)	(1) Achieve net zero by 2050 (2) Achieve 40% by FY2050
SPTs determination date	December 31, 2026	December 31, 2031	December 31, 2051
Bond characteristics after determination	In the event there is no third-party verified reporting by the determination date that the SPTs have been achieved, donations will be made or voluntary credits that have been certified under a Japanese program or by an international certification organization will be purchased before the redemption date.		
Bond ratings	AA- (Rating and Investment Information, Inc. (R&I)), A+ (S&P Global Ratings Japan Inc.), A2 (Moody's Japan K.K.)		

*1 Sustainability Performance Targets. Targets for improvement in measurable KPIs on which issuers commit to a predefined timeline

See the following press releases for more information.

- Issuance of Mitsubishi Estate's First Sustainability-Linked Bond (PDF 516KB) (Japanese only) [PDF](#)
- The Mitsubishi Estate Sustainability Vision 2050-Linked Bond Framework (PDF 2,437KB) (Japanese only) [PDF](#)
- Formulation of New Group-Wide Targets for Reducing CO₂ and Other Greenhouse Gases and Announcement of 2050 Net-Zero Based on a New Standard Defined by SBTi (PDF 547KB) [PDF](#)
- Mitsubishi Estate Group 2030 Goals for SDGs



Third-Party Opinion on Alignment

Third-Party Opinion

The bonds are issued based on the Mitsubishi Estate Sustainability Vision 2050-Linked Bond Framework in line with the ICMA Sustainability-Linked Bond Principles 2020 and the Ministry of the Environment Green Loan and Sustainability Linked Guidelines 2020, and a third-party opinion on alignment has been obtained from a third-party evaluation organization.

See the following for details of the third-party opinion from Japan Credit Rating Agency, Ltd.

Third-Party Opinion from Japan Credit Rating Agency, Ltd. (PDF 3,733KB) (Japanese only)



Announcement of Investment in the Sustainability-Linked Bonds

See the following press release for information on investors who have announced their investment in the Mitsubishi Estate Sustainability-Linked Bonds.

Issuance of Mitsubishi Estate's First Sustainability-Linked Bonds (2)
- Issuance of Total 60.0 Billion Yen in Sustainability-Linked Bonds - (PDF 539KB) (Japanese only)



Targets Related to the Sustainability-Linked Bond SPTs

Issue	KPIs		SPTs		Determination date
139th bonds (5 years)	KPI1	Percentage of electricity from renewable energy sources * Joined R100	SPT1	Achieve 100% electricity from renewable energy sources by FY2025	December 31, 2026
140th bonds (10 years)	KPI2	Percentage of reduction in total GHG emissions, including CO ₂ , in the Mitsubishi Estate Group's* ¹ value chain * Obtained SBTi Net-Zero Standard certification from the SBTi in June 2022	SPT2-1	At least 70% for Scope 1 and 2 combined, at least 50% for Scope 3 by FY2030 (base year: FY2019)	December 31, 2031
141st bonds (30 years)			SPT2-2	Achieve net zero by 2050	December 31, 2051
141st bonds (30 years)	KPI3	Percentage of female managers* ²	SPT3	Achieve 40% female managers by FY2050	December 31, 2051

*1 Selection of target organizations is based on control criteria. Properties in which the Mitsubishi Estate Group's ownership rights and trust beneficiary rights are less than 50% are excluded from data calculations in principle.

*2 A person in a job which has subordinates or a person in an equivalent position without subordinates



CO₂ Emissions/Renewable Power Targets

See the following for details.

Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 1: Environment



Female Manager Targets

See the following for details.

Sustainability Activities (ESG) > Social > Promoting Diversity > Empowerment of Women





Mitsubishi Estate Green Bond Issued

The mission of the Mitsubishi Estate Group is to contribute to the creation of a truly meaningful society by building attractive, environmentally sound communities where people can live, work and relax with contentment.

In June 2018, in order to raise funds for the Tokyo Station Tokiwabashi Project currently underway in front of the Nihonbashi exit of Tokyo Station, Mitsubishi Estate issued the Mitsubishi Estate Green Bond, the first in Japan from an integrated real estate company. The Mitsubishi Estate Green Bond was issued based on a framework in accordance with the Green Bond Principles published by the International Capital Market Association (ICMA), and Mitsubishi Estate obtained an opinion on compliance with the principles from a third-party certification institution.

The Mitsubishi Estate Green Bond also obtained the highest GA1 rating in an R&I Green Bond Assessment carried out by Rating and Investment Information, Inc. which evaluates the extent to which proceeds from the issuance of a green bond are used to invest in projects that contribute to solving environmental problems.

Overview

Name	Mitsubishi Estate Co., Ltd. 127th unsecured corporate bonds (Mitsubishi Estate Green Bond)
Date of determination of issuance terms	June 20, 2018
Date issued	June 26, 2018
Maturity date	June 26, 2023
Term	5 years
Total amount issued	20 billion yen
Use of proceeds	All funds will be used to finance the construction of Tower A of the Tokyo Tokiwabashi Project facing Tokyo Station. → Project website (Japanese only)
Bond rating	AA- (Rating and Investment Information, Inc.) A+ (Standard & Poor's Global Ratings Japan) A2 (Moody's Japan)

See the following press releases for your reference (Japanese only).

- [Announcement of the Issuance of Mitsubishi Estate Green Bond to Fund Construction of Tower A of the Tokiwabashi District Redevelopment Project in front of Tokyo Station \(PDF 270KB\)](#)
- [Mitsubishi Estate Unveils New Name for Its Tokyo Tokiwabashi Project as "TOKYO TORCH" \(PDF 4.3MB\)](#)
- [Mitsubishi Estate Completes Tokiwabashi Tower \(PDF 5.7MB\)](#)



Third-Party Ratings Concerning Eligibility

Second party opinion

The bonds were issued based on a framework that followed the Green Bond Principles published by the International Capital Market Association, and the company obtained opinions from a third party certification organization regarding the bond's eligibility as a green bond.

Second Opinion from Sustainalytics
(Japanese only) (PDF 820KB)



Green bond assessment

The R&I Assessment evaluates the extent to which funds raised through green bonds are invested in business projects that solve environmental projects. This project received the highest rank of GA1 in the Assessment.

[R&I Green Bond Assessment] Mitsubishi
Estate Co., Ltd. Mitsubishi Estate Green
Bond: GA1 Assessment (PDF 799KB)



Ministry of the Environment issuance model cases

The company filed an application for the bond to be considered as a model case by the Ministry of the Environment for its Models of Green Bond Issuance in 2018. It was selected and has confirmed with the Ministry and its contractors that the bond complies with the Green Bond Guidelines 2017.

Pre-Issuance Report (Japanese only) (PDF
1.37MB)



Mitsubishi Green Bond Investment Announcements

Please see the following press release for information on investors that have announced their investments in the Mitsubishi Estate Green Bond.

Announcement (3) of the issuance of the Mitsubishi Estate Green Bond to fund the Tower A of the Tokiwabashi District Redevelopment Project in front of Tokyo Station - Terms determined today with an issue amount of 2 billion yen and an interest rate of 0.09% (PDF 270KB) (Japanese only)





Allocation Report

Mitsubishi Estate has confirmed that the funds procured from the issue of green bonds to finance the construction of the Tokiwabashi District Redevelopment Project Tower A in front of Tokyo Station have been used in full. The Finance & Accounting Department executive officer in charge of these matters has filed a management assertion regarding the appropriation of these funds.

Procured Appropriations	Appropriations Used	Appropriations to Be Used
19,931 million yen	19,931 million yen	0 million yen

As of July 17, 2020

Management Assertion (Japanese only) (PDF 50KB)

PDF

Details of the Tokiwabashi District Redevelopment Project

- A large-scale redevelopment project covering a total area of 3.1 hectares, the largest in the vicinity of Tokyo Station. It includes the development of an approximately 390m super high-rise tower that will become a new landmark for the city of Tokyo and a spacious plaza measuring approximately 7,000m² that will transform the area in front of Tokyo Station, all of which will be developed and equipped in stages. The project is a designated project for the National Strategic Special Zone Program.
- The project will be carried out in stages over a 10-year period while maintaining and updating vital infrastructure functions including sewage pumps and transformer substations within the district.
- As a designated project for the National Strategic Special Zone Program, this project will be located in the middle of the Tokyo's chief business center and is positioned to be known as the Tokyo Global Financial Center. To that end it is intended to contribute to urban redevelopment in the following ways:
 1. Renewal of urban infrastructure, creation of a pedestrian network, preparation of a plaza, etc.
 2. Creation of a hub to enhance international competitiveness (finance/business exchange and urban tourism).
 3. Creation of superior disaster management and an eco-conscious urban environment.

→ TOKYO TORCH project website (Japanese only)



A rendering of TOKYO TORCH overall at the time of its opening as seen from the Marunouchi side of JR Tokyo Station



DBJ Green Building Certification

Tower A for the Tokiwabashi District Redevelopment Project in front of Tokyo Station has been awarded the Development Bank of Japan (DBJ) Green Building certification as a building that exhibits the highest level of “environmental and social awareness” in Japan (certification obtained March 29, 2019). The structure was subsequently renamed Tokiwabashi Tower and awarded the DBJ Green Building certification upon its completion (certification obtained August 6, 2021).



Use of Sustainability Linked Loan (SLL)

Conclusion of SLL Agreement with The Norinchukin Bank

First Loan Agreement (Execution Date: May 29, 2020)

Mitsubishi Estate concluded the Japanese real estate industry's first loan agreement based on a sustainability linked loan (SLL) with The Norinchukin Bank.

Mitsubishi Estate established the Mitsubishi Estate Group Sustainability Vision 2050 with the aim of realizing a sustainable society and formulated Mitsubishi Estate Group 2030 Goals for SDGs in the Long-Term Management Plan 2030 as the milestones that define the themes and actions in working to achieve this vision. The Group has set out and works toward concrete numerical targets related to climate change. The vision and initiatives were evaluated as contributing to solving climate change issues, which The Norinchukin Bank considers important, leading to the conclusion of the loan.

An SLL aims to support environmentally and socially sustainable business activities and growth by establishing sustainability performance targets (SPTs) based on the borrower's management strategy and linking the loan terms to the achievement of the SPTs. The loan established the Group's targets on CO2 emissions (target for 2030: 30% reduction from 2017) and renewable electricity rate (target for 2030: 25%), which were set out in Mitsubishi Estate Group 2030 Goals for SDGs as the SPTs. Mitsubishi Estate plans to use a portion of the funds obtained from the loan for initiatives contributing to expanding the introduction of renewable electricity and reducing CO2 emissions.

On conclusion of this loan agreement, a third-party opinion on the alignment of the loan with the SLL Principles and the appropriateness of the SPTs established was obtained from Japan Credit Rating Agency, Ltd.

Overview of the Loan

- Execution date: May 29, 2020
- Loan period: 11 years and three months
- Amount: 11.5 billion yen
- Application of funds: Long-term working funds

Third party opinion from Japan Credit Rating Agency, Ltd. (Japanese only) (PDF 1.6MB)

[PDF](#)

Announcement on Entering into Sustainability Linked Loan Agreements (Japanese only) (PDF 510KB)

[PDF](#)



Second Loan Agreement (Execution Date: October 14, 2022)

Mitsubishi Estate concluded loan agreements based on SLLs with The Norinchukin Bank, which will be the second such loans following the one executed on May 29, 2020.

Mitsubishi Estate has been striving to establish concrete numerical targets for climate change initiatives under the Mitsubishi Estate Group 2030 Goals for SDGs set out in the Long-Term Management Plan 2030. Moreover, in March 2022, the company announced 2050 Net-Zero (obtained SBT net zero certification from the SBTi in June 2022) and decided to press further with its initiatives.

These loans have set SPTs that are based on the targets under the Mitsubishi Estate Group 2030 Goals for SDGs and 2050 Net-Zero.

Mitsubishi Estate plans to use a portion of the funds obtained from the loans for initiatives contributing to expanding the introduction of renewable electricity and reducing CO2 emissions.

On conclusion of these loan agreements, a third-party opinion on the alignment of the loans with the SLL Principles and the appropriateness of the SPTs established was obtained from Japan Credit Rating Agency, Ltd.

Overview of the Loans

Loan (1)

- Execution date: October 14, 2022
- Loan period: 11 years
- Amount: 25.0 billion yen
- Application of funds: Long-term working funds

Loan (2)

- Execution date: October 14, 2022
- Loan period: 6 years
- Amount: 25.0 billion yen
- Application of funds: Long-term working funds

Third party opinion from Japan Credit Rating Agency, Ltd. (Japanese only) (PDF 3.0MB)

[PDF](#)

Announcement on Entering into Sustainability Linked Loan Agreements (Japanese only) (PDF 532KB)

[PDF](#)



Positive Impact Finance loan agreement signed

In November 2021, Mitsubishi Estate signed a Positive Impact Finance (with unlimited use of funds) loan agreement with Sumitomo Mitsui Trust Bank, Limited.

Positive Impact Finance (PIF) is financing based on the Principles for Positive Impact Finance proposed by the United Nations Environment Programme Finance Initiative. As part of this program, financial institutions comprehensively analyze and evaluate both the positive and negative impact corporate activities have on the environment, society, and economy, as they provide loans with the aim of continued support. The most significant feature of the program is that the level of contribution to achieve Sustainable Development Goals (SDGs) through a company's activities, products, and services is used as evaluation indicators and monitored based on publicly disclosed information.

Overview of the initiative

Date of agreement	November 30, 2021
Loan period	10 years
Loan amount	5 billion yen
Use of funds	Long-term operating funds

In order to help achieve a sustainable society through its business activities, the Mitsubishi Estate Group has established the Mitsubishi Estate Group Sustainability Vision 2050 and has set out the Mitsubishi Estate Group 2030 Goals for SDGs as part of its Long-Term Management Plan 2030, detailing themes and actions established as milestones for achieving this vision.

In concluding this agreement, Sumitomo Mitsui Trust Bank qualitatively and quantitatively assessed the Group's initiatives in the four areas of focus that the impact Mitsubishi Estate Group 2030 Goals for SDGs sets out – namely, environment, diversity & inclusion, innovation, and resilience – areas that particularly have impact toward achieving SDGs. See the following press release for further details.

Notice regarding the Conclusion of a Positive Impact Finance (with unlimited use of funds) Loan Agreement (PDF 357KB)



This program has obtained a third-party opinion from Japan Credit Rating Agency, Ltd. as its assessment procedures being compliant to the Principles for Positive Impact Finance Principles as well as for the rationality of the evaluation indicators employed.

The Japan Credit Rating Agency website for further details (PDF 1.6MB)





Use of Green Finance for Office Building Development Project in Sydney, Australia

In December 2021, Mitsubishi Estate entered into a green loan agreement to fund construction of Parkline Place, a premium office building development project being undertaken in Sydney, Australia, in partnership with Oxford Properties Group and its subsidiary Investa.

A green loan is a loan in which the use of funds is restricted to projects that have an effect on improving the environment. This is the first time that Mitsubishi Estate has used a green loan to raise funds for an overseas project.

Mitsubishi Estate plans to use the funds from the loan to promote an environmental design that will help improve efficient use of energy and resources and for initiatives such as recycling approximately 90% of construction waste. Through these initiatives, the company aims to obtain the highest 6-Star rating in Australia's Green Star^{*1} real estate environmental certification system. The company is also considering provision of work-life management, mindfulness, personal health and other such services in addition to environment-related initiatives with the aim of obtaining Core and Shell^{*2} Certification under WELL Certification (WELL Building Standard^{*3}), which is an international certification concerned with health and well-being.

Overview of Green Loan

- Contract month: October 2021
- Lender: Gresham Property (GPF No. 8 Fund)
- Borrowing amount: AUD 700 million (approx. JPY 56.9 billion [AUD1 = JPY81^{*4}])
- Borrowing period: October 2021 – March 2024 (planned)
- Application of funds: Construction costs for Parkline Place

*1 A real estate environmental certification system operated by the Green Building Council of Australia

*2 A category of certification within WELL Certification that mainly applies to newly-constructed tenanted buildings.

*3 A U.S. certification system that evaluates buildings and spaces from the perspective of human health and well-being.

*4 As of December 2021

See the following press release for more details.

Mitsubishi Estate Announces Green Loan Funding for Parkline Place, its Office Building Development in Sydney, Australia (Japanese only) (PDF 448KB)





SUSTAINABILITY ACTIVITIES (ESG)

Social



Promoting Diversity

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Goals and Achievement Status

See the ESG data page for our progress in achieving diversity-related goals.

[ESG Data > Social Data](#)



Empowerment of Women

Establishment of Action Plan to Promote Women's Success

Mitsubishi Estate has established and published an action plan in accordance with Japan's Act on the Promotion of Female Participation and Career Advancement in the Workplace.

The action plan sets out targets and specific initiatives aimed at achieving a positive working environment for women in accordance with the objective of the Act, which is to promote women's participation and advancement.

Overview of Action Plan

Period of the Plan

April 1, 2021 – March 31, 2026

Our Challenges

1. Although recruitment of women is on the rise, it is difficult to increase the number of female managers rapidly due to the low levels of recruitment in the past. Therefore, it will be necessary to increase the number of female managers steadily, including the number of female candidates for middle management positions.
2. To realize a workplace environment in which it is easy to balance childcare and work, it is also important to raise the percentage of male employees taking childcare leave. However, the target of 100% has not been achieved.



Objectives

1. Raise the percentage of female managers to more than 20% by 2030.
2. Raise the percentage of eligible men taking childcare leave to more than 75% by fiscal 2025 with an eye on achieving 100% by fiscal 2030.

Initiatives

1. Boost recruitment of women in new graduate and mid-career hiring
 - Strengthen public relations activities aimed at women with a goal of bringing the percentage of women in new graduate and mid-career hiring to more than 40%.
2. Create an environment that makes it easier for women to continue working
 - Host forums (roundtable discussions, lectures, etc.) providing information facilitating work-balance with child rearing as well as career development for female employees who are taking childcare leave or who have returned to work for a certain period after returning.
 - Provide interviews with human resources divisions/departments on return to work from childcare leave.
 - Raise awareness of the reemployment program and leave system in conjunction with the transfer of a spouse.
3. Initiatives to raise the percentage of men taking childcare leave
 - Monitor the use of childcare leave by male employees whose spouse has given birth and encourage them to take the leave.
 - Host roundtable discussions, etc. by male employees who have taken childcare leave to encourage men to take the leave.

The full text of the action plan is available here.

Action Plan based on the Act on the Promotion of Female Participation
and Career Advancement in the Workplace (PDF 73KB)

PDF

In addition, we have examined our future vision and set targets for the ratio of female managers: 20% by fiscal 2030, 30% by fiscal 2040, and 40% by fiscal 2050. In order to achieve these goals, we will promote gender balanced recruitment activities, introduce a personnel system that allows flexible work arrangements, hold internal roundtable discussions and seminars regarding balancing work and childcare for both men and women.

The ratio of female managers*

Fiscal 2030
above **20.0%** → Fiscal 2040
30.0% → Fiscal 2050
40.0%

* Ratio of female managers at Mitsubishi Estate

*those in positions where they manage subordinates, or above, and those who are in equivalent positions even if they do not manage subordinates.



Hiring of Persons with Disabilities

Mitsubishi Estate actively seeks to hire persons with disabilities, in response to social demands to ensure their employment opportunities. The company strives to create a workplace in which all employees can demonstrate their unique skills without regard to their disability and provide the environment they need for success.

Various Programs for Work-Life Integration

At Mitsubishi Estate, we believe in the importance of not creating barriers between work and daily life, but rather, in viewing both as one and achieving comprehensive fulfillment (work-life integration). To achieve this, we have established various systems that allow employees to choose a variety of work styles.

List of work-life integration and employee health promotion programs and welfare initiatives (Mitsubishi Estate)

Name of program	Overview of program
Flextime program	Working hours are as follows -Core time (time period when eligible employees are required to attend work) 10:00 – 15:00 -Flexible time (time period when eligible employees can work according to their choice) Period for starting work: 06:00 – 10:00, period for ending work: 15:00 – 20:00 * Core hours are currently (as of June 2022) tentatively eliminated to prevent the spread of new coronavirus infections
Childcare leave of absence	Can be used until the end of the fiscal year in which the child turns three years old (14 days of paid leave from the day on which childcare leave starts) * The legally stipulated period in Japan is until the child's first birthday as a general rule (or until the child turns two years old as a maximum in special circumstances).
Nursing care leave of absence	Can be used for a maximum of three years (can be divided into shorter durations up to three times)
Nursing care leave of absence for children	Can be used until the end of the March after the child enters the third grade in elementary school Can be used as a special paid leave of absence until the child enters elementary school
Nursing care leave of absence for family	Can be used as a special paid leave of absence
Shortened work hours for childcare	Can be used until the end of the March after the child enters the third grade in elementary school Daily work hours can be shortened by up to 2.5 hours in increments of 15 minutes
Shortened work hours for nursing care	Can be used within three years of the start of use for each person in the eligible family Daily work hours can be shortened by up to 2.5 hours in increments of 15 minutes



Name of program	Overview of program
Flextime program for pregnant women, those caring for children and those nursing family members	Can be used during pregnancy Can be used until the end of the March after the child enters the third grade in elementary school Can be used within three years of the start of use for each eligible person in the family (Work hours can be shortened by up to 2.5 hours in increments of 15 minutes)
"Refresh" vacations	Special paid vacations are given every five years after five consecutive years of employment Company pays travel costs after 25 or 30 years of consecutive employment (upper limit imposed)
Accumulated vacation	Employees can accumulate up to 90 days of paid vacation that was not used. This can be used for the employee's or family member's illness, a spouse's childbirth, to participate in volunteer activities, childcare or nursing care for family members, among others.
Retiree Reemployment System	Can be used following the specified interview when an employee resigned due to childcare, nursing care for family members, changing jobs, or starting a business
Leave system for the transfer of a spouse	Leave up to three years can be taken to accompany a spouse on a relatively short transfer (overseas traineeship/study of approximately 1-2 years)
Transfer request system for spouses relocating to a new location	An employee in a position that does not normally involve transfers can transfer within the Group when wishing to relocate due to the transfer* of a spouse only when it is organizationally feasible * Limited to Japan
Hourly paid leave program	Paid leave is available in one-hour units (using eight hours is equivalent to using one day of paid leave)
Teleworking program	It is possible to work at a location other than the company, such as a satellite office affiliated with the company or at home
Expense subsidy program based on cafeteria plan	The program provides subsidies for expenses on employee health promotion activities (sports activities and checkups not covered by insurance, etc.)
Consultations with occupational health physician	An initiative to provide consultations with an occupational health physician for employees, including managers, who have exceeded the 80 hours of statutory monthly overtime work
Positive Off Movement	An initiative to set targets for the number of days of paid leave taken and to encourage employees to take paid leave

Support for Combining Work with Raising Children

Mitsubishi Estate has established a general action plan compliant with the Japanese law called "Act on Advancement of Measures to Support Raising Next-Generation Children," to help its employees balance work and childcare. The company is recognized as a childcare-supportive company by the Ministry of Health, Labour and Welfare and received Kurumin Mark certification in 2017.

As part of its efforts to support childcare, the Mitsubishi Estate Group launched a new business in 2018 to operate its own daycare centers at its properties, in addition to temporary daycare services using contracted daycare centers. It also provides support such as subsidies for the cost of babysitting, as well as opening a center that helps employees find daycare services for their children. Information on programs available for childcare is provided on its intranet site for pregnancy, childbirth, and childcare information.



Support for Combining Work with Nursing Care for Family Members

Mitsubishi Estate also offers a range of programs to support employees who are providing nursing care for their family. Employees can take nursing care leave or work shorter hours while nursing family members. In addition, a nursing guidebook is issued and internal seminars are held to offer information on caring for family members.

Support for Employees' Life Plans

Mitsubishi Estate has set a retirement age of 60, but has introduced a job matching program to reemploy employees that want to continue working after retirement age.

This program enables employees of retirement age who meet certain standards to continue working, which not only supports employees' life plans, but also enables veteran employees to pass on the skills, expertise and personal connections built up over years of experience, thus helping to maintain service quality. Currently, these veterans are registered as advisors.

At the same time, expectations for this second phase of life are varied, and individuals make diverse choices. For this reason, the company provides life planning seminars, training on planning for life after retirement. In addition, the second life support program has been set up, enabling employees two years away from retirement to embark on a fulfilling "second life" with early retirement.



Programs to Encourage Open Innovation

In order to promote business in a social and economic environment that is changing at an increasingly rapid speed, Mitsubishi Estate is engaging in business model innovation. In October 2019, Mitsubishi Estate established new personnel programs for the purpose of encouraging open innovation and expanding further the possibilities for independent career choices by individuals.

New Business Proposal System – Mitsubishi Estate Group Innovation Challenge (MEIC)

Through the New Business Proposal System, launched in 2009, we have extensively sought business proposals and ideas from employees. With more than 130 applications received to date, the system has realized new initiatives that have helped diversify the Group's sources of earnings and strengthen its core business, such as GYMM, a pay-as-you-go gym, and Ecorfurni, a business reselling used office furniture. In 2021, in light of a rapidly changing business environment, we expanded the scope of this system to encompass Group companies and launched a new program, the Mitsubishi Estate Group Innovation Challenge (MEIC), in order to further promote this system. We will continue striving to strengthen systems for encouraging employees to take on challenges with the aim of spurring Groupwide innovation.

Regarding the Borderless! x Socializing! Initiative

On April 1, 2017, we established the Work Style Reform Promotion Committee, chaired by the president & chief executive officer, with the aim of strongly promoting the top-down reform of our corporate culture, the streamlining of business processes, and the creation of new value through increased productivity. From August 2018, the committee was renamed the BxS (Borderless and Socializing) Committee. The BxS Committee's promotion secretariat plays a central role in developing a variety of activities aimed at Companywide workstyle reforms and improving operational efficiency. Every year, the secretariat conducts a survey on the status of the Mitsubishi Estate's operational efficiency, workstyles, and corporate culture and reports the results of the survey Companywide. Any issues that become apparent from the results of the survey become a theme for discussions centered on the secretariat from the following year onward.



Regarding the 10% Rule System

The newly established 10% Rule System seeks to have employees dedicate 10% of business hours to performing activities outside of their regular duties with the aim of promoting business model reform. The rule includes initiatives that both directly and indirectly lead to business model reform, such as initiatives related to improvements in operational efficiency and corporate culture reform. Specific examples include preparing applications for the New Business Proposal System, gathering information and building networks with external parties, and holding internal events. Employees are free to choose how they use their time and are currently making efforts under a wide range of themes. Many employees have reported increased job satisfaction as a result of being given opportunities to take on new challenges outside of their regular duties.

Secondary Job Program (from January 2020)

Mitsubishi Estate has established a secondary job program* based on a permit system to help employees maximize their own potential through diverse experience and encourage them to accept various challenges that lead to their growth or career advancement. In so doing, the company aims not just to help the knowledge and connections obtained through a secondary job be returned into the core business, but also to create an environment for employees to work with more satisfaction through self-actualization.

* Excludes businesses that involve a conflict of interest with Mitsubishi Estate, such as competitors. Working hours up to 50 hours in any single month.

Open Recruitment of Human Resources with Secondary Jobs and Dual Employment in Some Businesses (from October 2019)

In some of its businesses, primarily new ones, Mitsubishi Estate has begun accepting human resources with secondary jobs and dual employment* through open recruitment to hire a broad range of human resources that possess knowledge not present in its existing businesses. As the first step, in the meditation studio operation business, which was established in April 2019 through the new business proposal program, Mitsubishi Estate recruited and employed* human resources with responsibility for planning brand and marketing strategy from among human resources with secondary jobs and dual employment.

* Assumes once weekly employment based on an individual outsourcing agreement with Mitsubishi Estate.



Creating an Office Environment that Leads to Value Creation

Initiatives at Mitsubishi Estate Head Office

In January 2018, Mitsubishi Estate relocated its headquarters with the aim of realizing an office that continually creates new value. The head office's concept is encapsulated in the statement "Borderless! × Socializing!" It signifies our commitment to create a venue for generating new value through spaces where people can truly connect with one another without borders and fully demonstrate their strengths. We put this aspiration into practice as part of our work style reforms for productivity and employee health advancement.

While continuously implementing reform of the office environment and systems, Mitsubishi Estate is also implementing a range of verification testing at the head office in such areas as biometric security and the use of robots for tasks such as cleaning and serving tea. The achievements, knowledge, and expertise obtained through these initiatives are being utilized in proposals to customers, planning for new office buildings, and urban development.

Mitsubishi Estate is also promoting SDGs awareness and initiatives of employees at the head office as part of its efforts to help realize a sustainable society. These include the holding of events for employees to familiarize themselves with social issues through food at the in-house cafeteria, the establishment of a display area where they can experience sustainable products from around the world, and enhancing the effective sorting of waste (into 15 types).

In addition to the Otemachi Park Building head office, which is already available to Group companies, the COVID-19 pandemic has been an opportunity to open satellite offices in Marunouchi and Yurakucho for the use of Group companies in response to such needs as promoting efficient and flexible workstyles, strengthening BCPs, creating bases for information sharing and events, and deepening communication throughout the Group. These offices have been named "MIX," expressing the hope that they will be places where diverse people from the Group and sometimes from outside the Group will mix together and create new value.



Free-address work environment

Employees can choose locations on any given day from a host of different seating options, including low tables, high tables, large and individual desks, to match their workstyle preferences. Efforts are also made to reduce paper and digitalize documents, eliminating more than 70% of document storage cabinets compared with pre-relocation.



Internal staircase to eliminate borders between floors

Private stairways have been installed so that employees can move freely between floors, bypassing the building's common areas. This encourages spontaneous communication, promotes health and mitigates the risks posed by loss or theft of confidential materials.



SPARKLE Cafeteria

The cafeteria can also be used as a workspace to facilitate the creation of new ideas and insights. It also serves as place for communicating through food and is used as a space for sharing information on subjects of interest to the company such as health management, the SDGs, and project introductions.



One-third allocated to common area

One-third of the head office is allocated to a common area. This helps to create inspiration through casual communication and to increase motivation and productivity.



MIX MARUNOUCHI

Also available for use as an event space.



Initiatives at Mitsubishi Estate Home Headquarters

In line with relocating its headquarters from the Kokusai Shin Akasaka Building to Shinjuku Eastside Square in June 2022, Mitsubishi Estate Home has launched Tokyo Base. This future co-creation office packed with various new features aims to provide employees with an environment allowing them to work with greater freedom and energy, to increase the value we provide to customers, and to help solve social issues.

This is the first location at the Mitsubishi Estate Group to adopt activity-based working (ABW) with the goal of creating a vibrant atmosphere where employees can enjoy working. ABW offers employees the freedom to select from various types of work points (seats) depending on their current tasks, which help maximize the performance of all employees.

There are recharge spaces in the open café and work area where employees can relax, replete with furnishings made from Japan-grown timber, something we focus on as a core value. Touching and feeling the logs and saplings on display helps raise employee awareness of the issues the Japanese forestry industry faces, inspiring them. Interacting with our core values in the possibilities of wood and experiencing first-hand our product values helps trigger the emergence of innovation that has true value as they work with their customers and partners.



Japan-grown structural materials normally used in our custom-made detached housing projects are repurposed in the café space



Initiatives at the MEC Design International Head Office

MEC Design International*, which engages in interior design for offices and other spaces, refurbished its head office in Chuo-ku, Tokyo in February 2022 embracing diversification in values and changes in lifestyle and the way people work in its own offices.

Incorporating numerous opinions and requests from employees through in-house questionnaires and workshops, the company established “Act More, More Real” as a grand concept for a refurbishment to express employees’ styles of working. Drawing inspiration from the walkways alongside canals, the seamless connection of a WALK zone where employees actively mingle and a WORK zone that realizes flexible work styles creates an office bringing together diverse human resources and allowing a full sense of their passion to be expressed while achieving a balance between life and work.

In an office that adopts activity based working (ABW) and provides a variety of work environments, employees can freely choose where to work according to their individual needs and requirements. This means they can act more like themselves, inspiring one another, and create a place that communicates MEC Design International’s passion as a design firm to the world. In the refurbishment, with contributing to the SDGs in mind, the company also made efforts to reduce building material waste and effectively utilize surplus and recycled products. Instead of conventional furniture and fixtures, long-lasting and health-conscious products were selected.



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Interact and Share (Work Lounge/Café Counter)

The lounge, which has a versatile layout and can be used for a variety of purposes, is located directly next to the reception area to encourage internal and external interactions.



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Experience, Experiment, and Combine (Gallery, Atelier)

Located in the center of the space is a work area that includes manufacturers’ sample displays and work counters with various usage scenarios in mind where people can experiment and combine various materials to create new spaces. It’s a work space where the process of space creation can be communicated and felt in a realistic way.



Learn and Concentrate (Book Library)

The library area connected to the atelier is a place for reading and sharing the latest information on trends in Japan and overseas.

- * MEC Design International Corporation: As a comprehensive interior design firm in the Mitsubishi Estate Group, it is involved in design for offices, residential interiors, hotels, commercial spaces, and others. With its team of professionals conversant in interior design, the company provides a wide range of services from consulting, conceptualization, planning, design, and construction through to procurement of furniture, fixtures, and equipment (FF&E).

MEC Design International





Social Human Resource Development

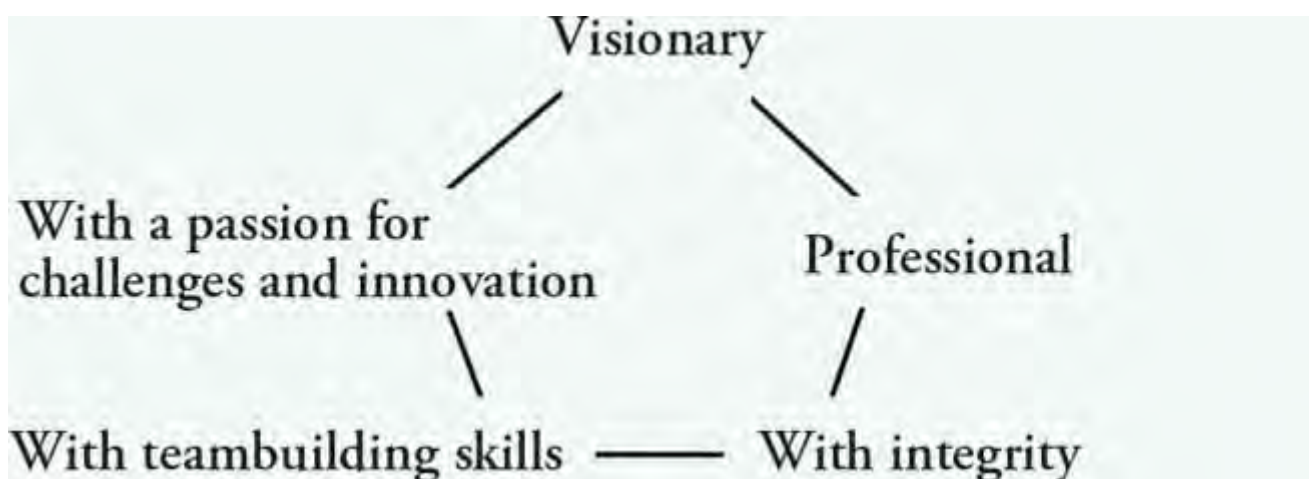
Basic Policy and Approach

Mitsubishi Estate believes that human resources are an essential management asset and recognizes that employee growth is crucial to the Group's continued growth.

It has defined the ideal traits it seeks in its human resources: visionary, professional, with integrity, team-building skills, and a passion for challenges and innovation.

Mitsubishi Estate develops its employees' skills using multiple approaches in line with each individual's career stage, combining training programs with job rotations and coordinated programs at workplaces.

The Five Traits





Initiatives for Human Resource Development

Human Resource Development Programs

Mitsubishi Estate provides a range of training to recognize positions according to the growth stage and develop the skills of employees. The company supports individual growth through provision of programs such as joint Group training for new hires and newly appointed managers and skill development programs to help individual employees acquire the knowledge and skills they need and to encourage independent and self-directed study.

Target	Level-specific training	Capacity development program		Programs to support acquisition of qualifications
Directors	Director program	Group company executive management skill training program		
Level 3 Management career	Level 3 New management career training	Capacity development program Logical thinking Presentation Accounting & finance Basic real estate Marketing Facilitation Labor Standards Act Financial strategy Human resource development (coaching, behavior evaluation) Organizational development (leadership) Management strategy Global economy Authority and responsibilities, required roles, Companies Act, etc. Risk management Compliance General corporate law Human rights awareness & diversity SDGs Digital transformation (DX), and new business creation (design thinking, etc.)		Global human resource development Short-term posted training to business schools and other locations Trainee system Short-term language training Study abroad Programs to improve language skills
Level 2 Management career	Level 2 New management career training	Human resource development training	Registered Real Estate Broker license ARES Certified Master qualification Condominium Manager Facility Manager Certified Building Administrator Real Estate Consulting Master Real Estate Appraiser Redevelopment Planner Other	
Level 1 Management career	Level 1 New management career training	New manager training (organized Group-wide)	Evaluator training	
Level 3 Professional career	Level 3 New professional career training			
Level 2 Professional career	Level 2 New professional career training			
Level 1 Professional career	3rd Year training			
	2nd Year training			
	New recruit training			



Offering a Wide Range of HR Development and Training Programs

The Mitsubishi Estate Group carries out a wide range of training programs to develop employees' capabilities and raise their awareness about compliance and human rights.

In addition to basic skill development programs, Mitsubishi Estate has established a range of elective skill development programs that give employees the opportunity to choose at their own initiative.

Internship Program

Mitsubishi Estate runs an internship program to help interns understand the nature of the job and the industry.

Mitsubishi Estate Group-Wide Training

- New recruit training/New recruit follow-up training/Self-care training
- 2nd Year training/3rd year training
- Joint time management training
- Marketing
- Presentation training
- Logical thinking training
- Practical coaching training
- Business law training
- Financial affairs & Accounting training
- New manager training/New manager follow-up training



Global Human Resource Development Initiatives

As part of the Global Basic Skill Strengthening options to develop human resources capable of thriving on the global stage, Mitsubishi Estate provides programs such as short-term overseas language training and has introduced a system to subsidize second-language studies. Additionally, under the Global Business Skills Strengthening option, employees can take part in a training system where they gain practical experience at Group companies in the U.S., the U.K. and Asia. There are also study-abroad and business school programs available so they can develop the capabilities needed to perform in a global environment.

In addition to medium and long-term dispatch programs, there is also a lineup of short-term programs lasting approximately one month, making it easy for employees who are unable to leave the workplace for long periods of time to participate. Moreover, internal debriefing sessions are held after the training so that results and lessons can be shared widely with other employees, helping everyone see how a global mindset is relevant to their own work.

Mitsubishi Estate will continue to augment its training programs in and outside of Japan to ensure that they are useful to and available to employees in a wide range of positions.

Consultations for Career Development

At Mitsubishi Estate, employees set goals for their own work, their contributions to the organization, and their skill development. They then review their achievements every six months via management by objective (MBO) consultations with supervisors. They also confirm the evaluation of their performance in these consultations, and salary changes are decided based on the results of these appraisals. The company also holds human resource consultations with every employee (with the exception of Level 3 management career employees and re-employed contract employees), aiming to solicit their views and requests of the company as well as to promote skill development.

Utilizing Human Resources and Organizational Data and Information

Utilizing Human Resources and Organizational Data and Information in Developing Recruitment Strategies

We analyze the number of applicants for each recruiting channel and the number of pages viewed on our recruiting website, and conduct recruiting activities while exploring more efficient ways to disseminate information to candidates.

We conduct our recruiting activities by considering the channels through which we can approach candidates with the necessary skills and experience.

We analyze the results of aptitude tests taken by candidates at the time of entry into the main selection process, and use the results in our recruitment activities for the following year and beyond.



Conducting Periodic Employee Surveys to Analyze Conditions and Trends of the Company and Each Department

Once a year, we conduct a periodic employee survey on job satisfaction, openness of each department, and the status of operational efficiency.

Based on the survey results, we analyze the characteristic trends by department, branch, or position and grade to improve workplace environment and corporate culture.

Consolidation and Utilization of Information on Human Resource Based on Management Strategies

We formulate personnel allocation plans that considering the number of employees, skills, etc. required, each department's job description, job characteristics, and plans, as well as company-wide management strategies.

In addition, we strive to promote and enhance performance of diverse individual employees by consolidating and utilizing employee information (assignment and job history, experience, career aspirations, etc.) through our personnel system and periodic personnel interviews.



Policy on Human Rights

As a member of society, the Mitsubishi Estate Group is keenly aware of the importance of respect for human rights. To fulfill our responsibility to respect the basic human rights of all stakeholders, not only those involved in Group businesses, we set up the Mitsubishi Estate Group Human Rights Policy on April 1, 2018. The Policy was formulated and published under the name of the President & Chief Executive Officer of Mitsubishi Estate Co., Ltd. following deliberation by the Executive Committee and Board of Directors, and has been communicated to parties both in and outside the Group.

Respect for human rights is part of the Mitsubishi Estate Group Guidelines for Conduct, which all employees are expected to follow on a daily basis. These Guidelines stress the importance of respect for human rights and diversity, which means that employees show concern for human rights and the environment in the course of their business activities. The Human Rights Policy adds to this by mandating respect for the fundamental human rights of all the stakeholders involved in the Group's businesses, throughout its supply chain. The Mitsubishi Estate Group does not tolerate any form of discrimination and human rights violations based on nationality, race, color, language, religion, sex, gender, sexual orientation, gender identity, age, political or other opinion, national or social origin, property, disability, birth, class or other status in its corporate activities, and is committed to ensuring equal opportunity.

Mitsubishi Estate Group Guidelines for Conduct (excerpt)

4. Respect for human rights and diversity

We respect human rights and believe that diversity maximizes value.

1. We respect human rights at all times.
2. We reject discrimination and harassment in any form.
3. We strive to establish a creative and competitive organization that safeguards and respects the beliefs of the individual as reflected in the diverse communities in which we work and live.
4. We foster an open corporate culture in which all employees are encouraged to speak freely.





Mitsubishi Estate Group Human Rights Policy (excerpt)

We uphold and respect international standards related to human rights. These include the International Bill of Human Rights, which sets out the fundamental human rights possessed by all the people of the world, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, which contains requirements concerning fundamental rights in the workplace (freedom of association, right to collective bargaining, prohibition of forced labor, effective abolition of child labor, and prohibition of discrimination in recruitment and occupation). Moreover, we have formulated this policy based on the UN Guiding Principles on Business and Human Rights.

We help ensure that respect for human rights is actively practiced in all business activities, and that such activities do not infringe on the human rights of other people. If such activities nevertheless result in a violation of the human rights of others, efforts shall be made to minimize the negative impact.

We carry out human rights due diligence in order to minimize any negative impact caused by human rights violations occurring as a result of the Group's business activities. We maintain a framework for human rights due diligence and make improvements to the framework on an ongoing basis or if problems arise in order to improve its efficacy.

Furthermore, in the event that the activities of a business partner or any other individual or organization affiliated with the Mitsubishi Estate Group directly have a negative impact on the human rights of others, even if we were not directly involved in fostering such a negative impact, we shall endeavor to make improvements together with stakeholders to ensure respect for human rights and eliminate all violations.

Mitsubishi Estate Group Human Rights Policy (PDF 36KB)

[PDF](#)

Mitsubishi Estate Group UK Modern Slavery Act Statement

Mitsubishi Estate has issued the 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 and its supply chain, in addition to outlining the Group's initiatives to prevent and mitigate these risks.

FY2021 (PDF 82KB)

[PDF](#)

FY2020 (PDF 94KB)

[PDF](#)

FY2019 (PDF 197KB)

[PDF](#)

FY2018 (PDF 366KB)

[PDF](#)

FY2017 (PDF 1,980KB)

[PDF](#)

FY2016 (PDF 715KB)

[PDF](#)



Promotion System

The Human Resources Compliance & Diversity Promotion Office in the Human Resources Department of Mitsubishi Estate Co., Ltd. implements activities to promote and ensure respect for human rights in collaboration with relevant departments of Group companies.

Mitsubishi Estate holds an annual meeting of its Human Rights Education & Diversity Promotion Committee (chaired by the director in charge of human resources) to review the status of its human rights and diversity promotion initiatives, exchange views on ways to improve programs, review that fiscal year's activity plan and share knowledge on recent human rights conditions and promotion of diversity.

The Mitsubishi Estate Group has joined the Tokyo Industrial Federation for Human Rights, the Corporate Federation for Dowa and Human Rights Issues, Osaka, and the Mitsubishi Human Rights Enlightenment Council. In addition to participating in training on social integration and other human rights issues, the Group is committed to addressing human rights issues, and participates in activities such as information gathering to expand this training to Group companies.

Initiatives for Human Rights Due Diligence

Mitsubishi Estate has established the Human Rights Education & Diversity Promotion Committee and is working to ensure human rights are respected across the Group. The company also conducts human rights due diligence by looking at Group-wide issues and analyzing them by dividing the business into three areas: real estate development business, international business, and hotel business. In 2017, Mitsubishi Estate hired expert consultants and lawyers to conduct document-based research to assess human rights risk and identified the following as priority human rights issues.

- (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

Mitsubishi Estate Group Initiatives

The Mitsubishi Estate Group is working to prevent damage to health caused by excessive work, promote work-life balance, and prevent workplace harassment.

Occupational Health and Safety / Health
Management →

Promoting Diversity →

Employment and Labor Relations →



Initiatives in Real Estate Development Business

Launch of the Construction and Real Estate Human Rights Due Diligence Study Group

In September 2018, as a facilitator, Mitsubishi Estate launched the Seminar on Construction and Real Estate Human Rights Due Diligence Study Group, drawing participation from eight real estate and construction companies.

The United Nation's Guiding Principles on Business and Human Rights call on companies to not only to avoid causing and exacerbating a direct negative impact on human rights, but also to avoid and reduce infringements of a wide range of human rights along the value chain. In light of this, Mitsubishi Estate launched the study group in collaboration with other companies in the real estate and construction industries with an aim of developing mechanisms for human rights due diligence that encompass the entire supply chain.

At the study group, participants identify the impact that business activities have on human rights and study relevant laws to address them, in order to fulfill the Guiding Principles on Business and Human Rights' requirement and taking responsible steps to "avoid infringing on the human rights of others" and "address adverse human rights impacts with which they are involved."

Respecting the Human Rights of Foreign Technical Interns

The Group conducts interviews with foreign technical interns and requests its suppliers to instruct and make known to their associates, where it is assumed that many technical interns work, matters in the activities of technical interns that often go unnoticed, such as issues related to pay and daily life. More specifically, the Group has included these requirements in quotation specifications distributed from April 2020 onwards to keep construction companies informed.

Using Sustainably-Sourced Timber for Concrete Formwork Panels

The concrete formwork panels^{*1} used in construction of offices and housing are made of lumber imported from Southeast Asia countries such as Malaysia and Indonesia. NGOs and other institutions have said that procurement of some of these materials involves illegal logging, including the taking of indigenous peoples' lands and the destruction of the environment.

From the perspectives of human rights and environmental protection, the Mitsubishi Estate Group uses timber that complies with the Sustainable Sourcing Code^{*2} (certified lumber or Japan-grown timber) or equivalent as the timber in its concrete formwork panels. The Group aims to achieve a usage rate of 100% by 2030. Mitsubishi Estate has requested construction companies to comply by including the requirements in quotation specifications distributed from April 2020 onward.

*1 The plywood used as the formwork for pouring of ready-mixed concrete when constructing buildings.

*2 The code, in which international agreements and guidelines for sustainability in different sectors are used as a reference, specifies guidelines and methods of operation aimed at implementing sustainability-oriented procurement, among other matters.



Initiatives in International Business

When considering business activities in Asia, where there are many cases of human rights violations in general, the Group will conduct corporate human rights due diligence using checklists to confirm whether there were any issues such as forced evictions in the area. The result will be used in decision-making when participating in business activities. More specifically, based on the concept of Free, Prior and Informed Consent (FPIC), the Group checks on such matters as whether there are opportunities for free discussion in a safe place, whether dialogue is one-sided, whether there is any threatening language or conduct or any forced or violent exclusion, and whether relocation to an alternative location with an appropriate standard of living is guaranteed. In addition, the Group gives special attention to women, children, the elderly, indigenous people, migrants, ethnic and tribal minorities, and other socially-vulnerable individuals and groups as they are particularly susceptible to human rights violations.

Initiatives in Hotel Business

Royal Park Hotels and Resorts, the company which operates 13 hotels in Japan, introduced certified wine and Fairtrade coffee in fiscal 2019 in order to implement initiatives for the sustainable development goals (SDGs).

Fair trade is an approach to trade that aims to improve the lives of producers and workers in developing countries that are in a weak position by consistently purchasing raw materials and products from developing countries at a fair price. As a hotel chain, Royal Park Hotels and Resorts endorses this approach and has introduced Fairtrade^{*1} and Fair For Life^{*2} certified wines at its full-service hotels and premium limited-service The Series hotels, and Fairtrade coffee at its full-service hotels.

The company has also provided information on Fairtrade products to restaurants occupying its hotels as tenants.

*1 Fairtrade certification

A system that certifies product raw materials comply with the economic, social, and environmental standards stipulated by Fairtrade International, including guarantee of minimum prices, safe working environment, and preservation of soil, water resources, and biodiversity, in their production, export and import, processing, and manufacturing, and that the raw materials and products of developing countries are traded under fair terms and conditions.



*2 Fair For Life certification

A certification system for fair trade and responsible supply chains by ECOCERT (established in 1991 in France), a world-leading certification organization with 23 branches around the world which provides a variety of organic certifications for agricultural and other products in over 80 countries.





Ensuring Traceability in Newly-Built Condominiums for Sale

In its newly-built condominiums for sale, Mitsubishi Estate Residence is using concrete formwork panels*1 based on sustainable sourcing standards for timber and to ensure traceability.

To ensure traceability, all companies in each stage of distribution, including logging and supply, must be certified. Mitsubishi Estate Residence has been working to ensure traceability by using timber that has obtained FSC forest management certification, which confirms that forests are properly managed, and a FSC chain of custody (CoC) certification, which verifies that timber produced in FSC-certified forests is managed and processed appropriately in the subsequent stages of distribution. However, there were still many companies ranging from formwork processors to construction companies that have not obtained CoC certification. This was an issue because certification doesn't cover the entire distribution chain, which meant that traceability was not completely ensured.

To address this issue, Mitsubishi Estate Residence has started an initiative to ensure traceability throughout the supply chain by building a scheme to obtain third-party certification from Japan Gas Appliances Inspection Association, a third-party certification body, based on the use of materials certified under the Programme for the Endorsement of Forest Certification (PEFC), a global alliance of national forest certification systems that mutually endorses their certification systems. The initiative commenced with The Parkhouse Komazawa Residence, which was completed in December 2021, and the traceability of the timber in concrete formwork panels in all buildings will be ensured in fiscal 2030. In order to strengthen the initiative, Mitsubishi Estate Residence will also aim to obtain international certification in addition to the third-party certification method. At The Parkhouse Takanawa Matsugaoka, which went on sale in July 2021, the company obtained FSC*2 project certification for the supply chain component. This is a worldwide first-case*3 of obtaining project certification based on FSC standards for concrete formwork panels, and has been achieved through cooperation with Kiuchi Construction Co., Ltd.

As a leading company in the newly-built condominiums for sale industry, Mitsubishi Estate Residence is working to make this an industry-wide initiative by communicating the issues and solutions both internally and externally.

*1 The plywood used as the formwork for pouring of ready-mixed concrete when constructing buildings.

*2 Forest Stewardship Council®: An independent, non-profit organization that promotes responsible management of forests worldwide and operates an international forest certification system.

*3 According to research by Mitsubishi Estate Residence

See the following press releases for more details.

Enhancing Traceability of Concrete Formwork Panels Used in Newly Built Condominiums for Sale – Obtaining a World-First FSC® Project Certification for Concrete Formwork Panel (Japanese only) (PDF 1.3MB)

[PDF](#)

Using Concrete Formwork Panels Based on Sustainable Sourcing Standards and Ensuring Traceability in Newly Built Condominiums for Sale (Japanese only) (PDF 869KB)

[PDF](#)



Establishment of Help Line on Human Rights

The Mitsubishi Estate Group has set up a helpline as a way for its employees to report any compliance issues including human rights violations, breaches of Code of Conduct and Guidelines for Conduct. It is available to Group full-time temporary and part-time employees. Investigation and fact confirmation are carried out concerning each report received and response measures are taken as necessary to improve the workplace environment. The Company's Legal & Compliance Department receives the reports through an external contractor and works with the Group companies that are subject of the reports, while protecting the privacy of the callers and whistleblowers, guaranteeing confidentiality and ensuring they receive no unfavorable treatment in the workplace. A dedicated compliance helpline has also been set up for external users such as suppliers and other business partners.

In-house Educational Activities

Ongoing Human Rights Programs

The Mitsubishi Estate Group provides training on human rights as part of its training for new employees on an ongoing, Group-wide basis. New employees learn about the Group's approach and initiatives on human rights as well as its Human Rights Policy, deepening their understanding of human rights.

Mitsubishi Estate carries out management career training on the prevention of workplace harassment including bullying and harassment and the reporting procedures for such incidents. Human rights lectures are also given every year to executives such as the company's president, directors and department managers, as well as Group company presidents.

Moreover, the Group provides training to instill the Mitsubishi Estate Group Rules on Prevention of Harassment. Mitsubishi Estate and some Group companies also carry out training on themes such as social integration. These training sessions all seek to cultivate a greater sense of human rights by raising participants' awareness of discrimination.

Calling for Human Rights Education Slogans

The Mitsubishi Estate Group solicits suggestions for human rights education slogans every year. The winning entry will be published in *mec's*, the Group's communication magazine, providing an opportunity for readers to reflect on human rights.

Regular Dialogue with External Stakeholders

Mitsubishi Estate Co., Ltd. engages in regular exchanges of opinions and dialogue with stakeholders, including NGOs and experts, in order to appropriately address a variety of issues, particularly human rights and environmental problems in its own operations and supply chain. The input obtained through these dialogues is used to improve and upgrade initiatives.



Basic Policy and Approach

In order to help realize a sustainable and truly meaningful society through its business activities, the Mitsubishi Estate Group believes it is important to promote efforts across the supply chain. As such, the Group established the Mitsubishi Estate Group Supplier Code of Conduct based on the Code of Conduct and Guidelines for Conduct. It sets out obligations that suppliers are required or expected to fulfil, which include compliance with laws and regulations, respecting human rights, local communities, indigenous peoples' rights, and cultural heritage, occupational health and safety, establishment of corporate ethics, environmental conservation and reduction of environmental impact, ensuring information security and establishing a risk management system.

The Group asks its suppliers to also strive to notify this Code of Conduct to their business partners so that they understand and cooperate with its spirit and content, and thereby continue to promote efforts to fulfill its social responsibility across the supply chain with the aim of realizing a sustainable society.

Establishment of Mitsubishi Estate Group Supplier Code of Conduct

The Mitsubishi Estate Group believes that, in order for it to contribute to the creation of a truly meaningful society through its business activities, it is crucial that it ensure responsible procurement not only for itself but also in cooperation with business partners across the entire supply chain. Based on this idea, the Group revised its CSR Procurement Guidelines, which were created in April 2016, and established the Mitsubishi Estate Group Supplier Code of Conduct in April 2022.

[Mitsubishi Estate Group Supplier Code of Conduct \(PDF 136KB\)](#)





Mitsubishi Estate Group Order Action Guidelines

In accordance with the Mitsubishi Estate Group's Mission and Code of Conduct, Mitsubishi Estate has established the Order Action Guidelines, which all executive officers and employees placing orders with business partners must follow, to ensure that orders and contracts are administered with transparency and impartiality. The Guidelines are intended to ensure objectivity and economic rationality, but they also include rules on environmental conservation, information management and avoidance of any involvement with organized criminal elements. These Order Action Guidelines are shared by the entire Group, and order and contract processes are established and administered to suit the businesses of individual companies based on them.

The Mitsubishi Estate Group applies the same approach as in the Mitsubishi Estate Group Code of Conduct to its suppliers in regards to environmental problems, labor problems, corruption and other issues.

At Mitsubishi Estate, when orders are placed with construction companies, the business organization and ordering organization are clearly separated. Appropriate orders and contracts are ensured by requiring that employees use a check sheet to self-verify compliance, after which Mitsubishi Estate's Legal & Compliance Department provides objective confirmation. The Orders Surveillance Committee, chaired by the president, meets when orders for large projects are placed and holds discussions concerning compliance. It met three times in fiscal 2019.

Promotion System

Mitsubishi Estate's Sustainability Management and Promotion Department, which is in charge of sustainability overall, and the Company's Human Resources Department, which is in charge of human rights and diversity, take the lead in supply chain management. Important matters are deliberated at the Sustainability Committee and the Sustainability Subcommittee, and outstanding Group initiatives are reported and shared at the committee and subcommittee. Mitsubishi Estate's Sustainability Management and Promotion Department also takes charge of notifying and coordinating efforts relating to the Mitsubishi Estate Group Supplier Code of Conduct.

Mitsubishi Estate engages in appropriate ordering and contracting. This includes the separation of the business organization and the ordering organization when placing orders with construction companies and the use of a self-check sheet for a self-inspection of compliance status, the results of which are reviewed objectively by the Company's Legal & Compliance Department. When placing particularly large construction orders, the Orders Surveillance Committee chaired by the Mitsubishi Estate President & Chief Executive Officer meets to deliberate from the perspective of compliance.

See the following for the system related to human rights.

[Human Rights Initiatives](#)





Primary Initiatives

Notification in and outside of the Group on the Supplier Code of Conduct

In order to ensure the dissemination of its Supplier Code of Conduct and Green Procurement Guidelines both inside and outside of the Group, Mitsubishi Estate publishes these guidelines on its corporate website. The Company also requests its suppliers to guide and encourage their partner companies to cooperate by distributing the Supplier Code of Conduct together with quotation guidelines.

The Mitsubishi Estate Group Green Procurement Guidelines



Conducting Self-assessment Questionnaire(SAQ) on suppliers with high sustainability risk

In order to promote the improvement of sustainability and ESG-related initiatives throughout the entire supply chain, we are checking the status of suppliers' compliance with the Supplier Code of Conduct through SAQ. For the time being, SAQ is conducted targeting "construction companies" and "cleaning companies." They are high-volume suppliers, and critical component suppliers to our businesses, and their sustainability risks are considered to be high. We plan to expand the scope of implementation to other suppliers.

* Criteria for defining high sustainability risks

1. Suppliers where migrant workers work
2. Suppliers with high environmental impact
3. Suppliers having multiple consignment structure

In addition to our tier-1 suppliers, we will also conduct SAQ on our tier-2 and subsequent suppliers. Through in-depth risk assessment of the supply chain, we will identify potential risks and request and require suppliers to make improvements based on the result of SAQ.

In this context, we see working conditions and treatment of migrant workers, working hours of all workers, and establishment of grievance mechanisms as anticipated high-risk items.

We will also strengthen our supply chain management by promoting sustainability and ESG-related initiatives through on-site audit and other means in conjunction with SAQ.



Evaluations of Business Partners in Each Business

Business	Social and environmental assessment
Building Business	Mitsubishi Estate has adopted an evaluation system for subcontractors that assesses from multiple perspectives the quality, safety and hygiene, and environmental initiatives of construction companies engaged in subcontracted work in its Building Business. The subcontractors are given feedback on the results of the assessment, and asked to make improvements if necessary.
Condominium Business	Mitsubishi Estate Residence utilizes a Contractor Interview Sheet when selecting new subcontractors with which to partner, and confirms the subcontractors' conditions, including the headquarter organization's on-site support system. In addition, in order to enhance the quality of construction and ensure safety and hygiene on-site, the company asks the subcontractors to submit work schedules and construction plans to ensure in advance and places orders with an appropriate construction schedule. The company also strives to make improvements by ensuring good communication with subcontractors, such as holding meetings before the start of work and regular meetings during construction at each site and evaluating the contractor when the work is completed.
Custom-Built Housing Business	Mitsubishi Estate Home has established guidelines for its initiatives with business partners that take into account the unique characteristics of its business. The basic order unit price that will serve as the benchmark is set in agreement with the supplier as we strive to ensure equitability for the supplier. Business partners in the architecture, facility and electronics industries are evaluated comprehensively and fairly on the basis of a questionnaire given to the employees who are their point of contact, and also taking into account the number of customer referrals, workmanship and credit conditions. The number of buildings with which they will be entrusted is decided based on this evaluation along with the fixed unit price. In addition, clearly separating the manufacturer's product costs and the distribution costs until the product reaches the final delivery destination raises the transparency of product costs and distribution costs, enabling a fair evaluation of the material supplier and the manufacturer. When deciding on construction amounts, the costs of construction and operating expenses are accounted for separately, and efforts are made to prevent simple price competition.

Improving Quality and Safety during Condominium Remodeling

The employees of Mitsubishi Jisho Community work together with partner companies which deal directly with clients to improve quality, safety and customer service etiquette when it comes to repair work which must be performed while clients are in residence.

The company constantly aims to raise the level of construction quality by, for example, using the company's exclusive skills testing and registration system for technicians (private license system) and sharing aftercare case studies with partner companies once repair work is complete. They also put the safety of clients first during construction and work with partner companies to create work sites that are safe, secure and pleasant for all involved. In addition to all this, since 2011 the company has conducted a customer service questionnaire every year after the completion of a large-scale repair project, the results of which are used to provide feedback to partner companies and help improve customer service.

Every year from July to August, the company works with business partners to organize the Work Quality & Safety Promotion Rally, where it shares its goals of increasing customer satisfaction levels and carrying out safe and high-quality construction projects. The company also takes the opportunity to publicly acknowledge outstanding field representatives and people who performed excellently in the technical skills examination.



Organizing Registered Contractor Workshops in the Custom-Built Housing Business

Since 1998, Mitsubishi Estate Home has organized registered contractor workshops for all subcontractors including artisans (workers with specialized skills related to building) and managers from partner companies. The workshops allow the company to guide and support participants as the master contractor, helping them learn about health and safety and how to improve safety, quality and appropriate behavior at construction sites.

Supplier List

Mitsubishi Estate

Major construction companies

- Obayashi Corporation
- KONOIKE CONSTRUCTION CO.,LTD.
- The Zenitaka Corporation
- TAKENAKA CORPORATION
- NIHON KENSETSU CO.LTD.
- KAJIMA CORPORATION
- JFE Civil Engineering & Construction Corp.
- DAISUE CONSTRUCTION CO.,LTD.
- TEKKEN CORPORATION
- Fujita Corporation
- Kuboco Co.
- SHIMIZU CORPORATION
- TAISEI CORPORATION
- TODA CORPORATION
- Muranaka co. ltd.

Mitsubishi Estate Residence

Major construction companies

- IWATA CHIZAKI Inc.
- Kiuchi Construction Co., Ltd.
- SATO KOGYO CO.,LTD
- Daisue Construction Co., Ltd.
- TAKENAKA CORPORATION
- TOKYU CONSTRUCTION CO., LTD.
- JDC CORPORATION
- HEISEI CO., Ltd.
- Mabuchi Construction Co.,Ltd.
- MEIKO CONSTRUCTION CO.,LTD.
- WAKACHIKU CONSTRUCTION Co., Ltd.
- KAJITA Corporation
- Kumagai Gumi Co.,Ltd.
- Shimizu Corporation
- TAISEI CORPORATION
- TSUCHIYA CORPORATION
- Nankai Tatsumura Construction Co.,Ltd.
- HASEKO Corporation
- MAEDA CORPORATION
- Muranaka co. ltd.
- Morimoto Corporation
- Kawaguchi Construction Co.,Ltd.
- Koshin Construction Co., Ltd.
- Daiichi Kensetsu Corporation
- DAIHO CORPORATION
- TOA CORPORATION
- NISHIMATSU CONSTRUCTION Co.,Ltd.
- Fujita Corporation
- Matsui Kensetsu K.K.
- MURAMOTO CORPORATION
- YAHAGI CONSTRUCTION CO.,LTD.



Promotion of Dialogue with Employees and Labor Union

Mitsubishi Estate supports the right to group negotiation and emphasizes problem-solving together with labor unions. The company forms labor agreements with the Mitsubishi Estate Labor Union and discusses issues that need to be resolved and the right course of development for the company to take on the basis of trust, in order to build positive relationships.

Moreover, in terms of labor hours, the company and labor union have signed the statutory agreement on overtime work (known as "36 Agreement") and work together to set internal management standards based on labor-management consultations to avoid excessive working hours for employees.

Mitsubishi Estate also holds a Labor Council as a forum for regular management dialogue on employee health and safety with the union whereby they report and discuss union members' requests and needs concerning these issues. Through these activities, Mitsubishi Estate strives to improve its workplaces and systems so that the needs of all union members can be reflected.

Equitable Salary System

At Mitsubishi Estate, regular wage raises were discontinued in 2000, and a salary increase system based on skill development was adopted. A performance-based bonus system based on MBO and an objective performance evaluation and promotion system have also been adopted to raise employees' motivation to improve their work and skills. There are no salary discrepancies based on gender.

Payment of Fair Wages

The Mitsubishi Estate Group ensures payment of the minimum wage or above based on the laws in each of the countries where it conducts business.

See the following for average annual salary of employees at Mitsubishi Estate Co., Ltd.

[ESG Data > Social Data](#)



Retirement Allowance Program

Mitsubishi Estate has established a defined-benefit lump sum retirement grant program and a corporate pension program.



Social Occupational Health and Safety / Health Management

Occupational Health and Safety 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 all its employees and ensure their safety.

Mitsubishi Estate has established the "Health Management Declaration" based on the belief that employees being healthy, both physically and mentally, and maximum performance are the source of corporate vitality. Under the Health Management Plan 2030, multiple KPIs* have been set and performance is monitored annually to ensure continuous improvement.

In addition, with regard to the working environment, including occupational health and safety, we consult with the labor union and implement improvement measures and initiatives to create a comfortable environment for our employees.

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.

The Mitsubishi Estate Group's Supplier Code of Conduct also includes items related to "Occupational Health and Safety" and requires compliance with the following items: "Compliance with laws and regulations related to occupational health and safety," "Occupational safety," "Occupational injury and illnesses," "Sanitation, food, and housing," and "Health and safety communication." We believe it is important for our suppliers to have a workplace that guarantees occupational health and safety, and we communicate with suppliers through self-assessment questionnaire and audit.

- * Percentage of high-risk group for metabolic syndrome (aged 40 or older*): 14.8% by FY2030
- Percentage of individuals whose results of their regular health checkup for all of the categories affecting the determination on lifestyle diseases were within normal levels (aged 40 or older*): 32.8% FY2030
- Cancer screening rate: 90% (every year from FY2021 - FY2030)
- Maintain percentage of high stress group: 10% or lower (national average: 10%) (every year from FY2021 - FY2030)

Management Structure for Occupational Health and Safety

Mitsubishi Estate holds a monthly Health Committee meeting chaired by the head of the Human Resources Department and industrial physicians, persons in charge of health and safety from the Human Resources Department, and a representative of the labor union attend. In this meeting, the number of occupational accidents, overtime work, and other items of high risk to the Company are reported.



Primary Initiatives

Participating in External Groups

To respond appropriately to the demands of society and employees, the Group proactively participates in workshops, conferences, and initiatives on labor standards and will continue to improve its efforts by incorporating outside knowledge.

Response to Industrial Accidents

In cases of accidents or incidents leading to injuries or fatalities, we identify the cause(s) through such means as interviews and surveys of the employees involved and strive to prevent recurrence by considering and promoting improvement measures.

See ESG data for number of industrial accidents.

[ESG Data > Social Data](#)



Preventing Excessive Work

The Mitsubishi Estate Group strives to comply with local laws regarding working hours and overtime in each country where it conducts business. The Group has also taken various initiatives to reduce excessive working hours.

Mitsubishi Estate has introduced a work management system that is linked with computer log-on/off times so that supervisors can follow employees' work conditions. Supervisors also meet one-on-one with their subordinates to discuss workload and task difficulty so they can understand conditions that may impact their health. Any employee, including those in managerial positions, who works more than 80 hours of overtime in a month is encouraged to have a checkup with an occupational physician. This is a part of Mitsubishi Estate's commitment to helping employees manage their health.

In order to promote work-life balance, the company adopted a flex-time schedule for all employees in fiscal 2016 and implemented initiatives such as the "positive off movement" to help employees make plans to take days off and encourage them to take paid leave. In fiscal 2017, the company introduced an hourly paid leave program and a tele-working program. The company is also making efforts to create a healthy and innovative working environment led by the B×S Promotion Committee, an organization under the direct supervision of the President established in the same year.



Managing Employee Health through Medical Examinations

Mitsubishi Estate carries out a scheduled medical examination once a year for all employees to help them maintain and improve their health. In 2016, the company added electrocardiographs and stomach ultrasounds (for persons 35 and older) to further improve detection of lifestyle diseases. We also take the time to provide follow-up examinations, urgent examinations and meetings with occupational physicians depending on the results of the medical examinations. To improve the screening rate, individual notices with information about medical examinations are sent to people who miss their examinations.

Training and Education on Health and Safety

At Mitsubishi Estate, all new managers are required to take mental health training. This training aims to deepen understanding of mental health and improve occupational health and safety within the organization by providing knowledge required for managers on managing members with regard to these issues, such as ((1) prevention, (2) how to respond to employees with mental health issues when they occur, (3) how to engage with employees returning to the workplace who had mental health issues, (4) workplace improvement measures, etc.).

Conducting Stress Check Tests

Mitsubishi Estate conducts stress checks once a year for all employees. The Human Resources Department analyzes the results for the entire organization and each department, and the Human Resources Department provides feedback to the managers of each department. And they have discussions regarding health issues that each department has and occupational health and safety.



Health Management

Policy on Health Management

Mitsubishi Estate advocates health management, in which it considers employee health from a management perspective and works on it strategically. Based on this perspective, Mitsubishi Estate established the Health Management Declaration in October 2016 to systematize initiatives and plans the company and the health insurance union has carried out thus far, articulate the top management's commitment, and ensure further improvements in maintaining and improving employee health.

Mitsubishi Estate Health Management Declaration

Mitsubishi Estate believes that the source of corporate vitality is maximizing employee performance through both mental and physical health.

With the aim of creating a vibrant workplace advocated in the Mitsubishi Estate Group Code of Conduct, the company will further develop the activities to maintain and improve employee health that it has worked on thus far and continue to promote health as we work together with the health insurance union, the Mitsubishi Estate Labor Union, employees and their families.

In addition, based on the Mission of the Mitsubishi Estate Group to contribute to society through urban development, we will continue contributing to the society at large by supporting health promotion for the people who live, work and relax in the communities.

In implementing its health management, Mitsubishi Estate has appointed the executive with responsibility for human resources as the health management promotion officer. The company also makes commitments to safety and hygiene in its labor agreements and strives to protect employee health and safety through health checkups and safety education.



Health Management 2030

Complementing the ESG initiatives in the Long-Term Management Plan 2030, and after reanalyzing the findings of the fiscal 2020 health checkups, Mitsubishi Estate has formulated Health Management 2030, a set of health-related KPIs, and is working to achieve improvements in employees' health.

Health Management 2030 KPIs

	KPI	Results	2025 targets	2030 targets
Lifestyle diseases	Percentage of high-risk group for metabolic syndrome (aged 40 or older*) *Percentage of individuals whose results of their regular health checkup for any of the categories affecting the determination of lifestyle diseases reached or exceeded the level at which medical attention is recommended	FY2021: 42.3% FY2020: 39.5% FY2019: 36.4%	25.6%	14.8% (equivalent to national average; approximately 60% of FY2019 percentage)
	Percentage of healthy group (aged 40 or older*) *Percentage of individuals whose results of their regular health checkup for all of the categories affecting the determination on lifestyle diseases were within normal levels	FY2021: 9.9% FY2020: 10.1% FY2019: 8.9%	20.85%	32.8% (equivalent to national average; approximately 370% of FY2019 percentage)
Malignant growths (cancer)	Cancer screening rate	FY2021: 88.0% FY2020: 80.7%	Cancer screening rate: 90% (every year from FY2021 – FY2030)	
Mental health	High stress group	FY2021: 9.9% FY2020: 4.7% FY2019: 5.0%	Maintain percentage of high stress group at 10% or lower (national average: 10%) (every year from FY2021 – FY2030)	



Primary Initiatives

Initiatives on Employee Health Promotion

Beginning in fiscal 2017 a subsidy program was set up for health-promoting programs (sports activities, checkups not covered by health insurance, etc.) for employees with the “Cafeteria Plan.”*1

It also strives to raise employees' awareness of health by holding health-related in-house exercise events and seminars, including a physical improvement competition.*2

*1 This program enables employees to use points allotted to them to choose programs from a menu set by the company (sports activities, checkups not covered by health insurance, etc.).

*2 Five-member teams representing each department compete for rankings, with changes in fat and muscle mass and number of steps taken over the last two months converted into points. In fiscal 2021, 198 employees participated in 39 teams.

Initiatives on Health Issues (Lifestyle Diseases, Cancer, and Mental Health)

Lifestyle Diseases

- Mitsubishi Estate analyzes health screening results and in collaboration with the health insurance union provides measures for employees at risk of lifestyle diseases (programs designed to prevent more severe disease*1) and encourages individual participation in specific health guidance to improve overall participation.

Cancer

- In addition to making mandatory the screening for the five cancers recommended for screening in Ministry of Health, Labour and Welfare guidelines according to employees' age, Mitsubishi Estate has established a system to subsidize the cost of screening for other cancers with the aim of early detection and early treatment.

Mental Health

- In order to strengthen the consultation system from the perspective of improving mental health, Mitsubishi Estate has included psychiatrists as occupational physicians.
- Since fiscal 2016, Mitsubishi Estate has expanded systems for absence and leave due to injury and illness and established a return to work support program for employees with mental illness that have required a long-term absence or leave.
- In addition to providing mental health training for newly hired employees and newly appointed managers by advising physicians, Mitsubishi Estate implements regular education on mental health for managers, including e-learning.

*1 Programs designed to prevent more severe disease: lifestyle improvement and guidance programs provided by medical institutions

Please see the following for the Mitsubishi Estate Health Management Strategy Map

Mitsubishi Estate Health Management Strategy Map (PDF 75KB)





Winning Recognition under the Certified Health & Productivity Management Outstanding Organizations Recognition Program

Mitsubishi Estate has been recognized as an outstanding organization in health management under the Certified Health & Productivity Management Organization Recognition Program run by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi.

See the following for the latest information on the certification.

[External Evaluations of ESG Performance](#)



Addressing Infectious Diseases and Other Global Health Issues

The Mitsubishi Estate Group regards health problems due to infectious diseases such as the recent COVID-19 pandemic as well as HIV/AIDS, tuberculosis, and malaria as a global issue. In order to protect employees from these kind of health problems, the Group instructs expatriate employees and their accompanying family members to receive the vaccinations recommended by government quarantine stations for each destination prior to travel. In the location of an overseas posting, we also provide medical consultation services, which include hospital arrangements, and ensure to make clean, safe, serviced apartments and condominiums available. Through these activities, we provide support for employees and their families to live overseas in good health and safety.



Social Enhancing Customer Satisfaction

Basic Policy and Approach

The Mitsubishi Estate Group has made clear in the Group Code of Conduct that it strives to earn the trust of its clients and works to create safe, reliable and improved products and services through communication with its customers.

Mitsubishi Estate Group Declaration on Customer Respect

The Mitsubishi Estate Group established the Mitsubishi Estate Group Declaration on Customer Respect on April 1, 2018.



Mitsubishi Estate Group Declaration on Customer Respect (PDF 61KB)

[PDF](#)

Information on Activities Related to the Declaration (Follow-up Activities) (PDF 146KB) (Japanese only)

[PDF](#)



Promotion System

When the Group receives comments or complaints from clients, the customer service personnel of each Group company receive them and, routinely, field staff are sent to the site to handle issues in person. The opinions received from clients are attended to sincerely, fairly, and impartially. Mitsubishi Estate collects matters that should be handled by the whole Group, reports them to management, and makes the necessary changes in its business activities. For items where correction is needed, the relevant departments all work together to handle the matter promptly.

Primary Initiatives

Implementing Tenant Satisfaction Surveys

Mitsubishi Estate implements customer satisfaction surveys for with the tenants of its office buildings. The surveys mainly check the level of satisfaction with the management and operating systems of each building, and the company makes improvements as needed based on the survey results.

See the following for the survey implementation rate.

[ESG Data > S: Social data > \(2\) Other > 2. Diversity > Employee satisfaction and customer satisfaction](#)



Responsible Advertising Activities

Mitsubishi Estate Residence Co., Ltd. has created a "Real Estate Advertisement Creation Manual" that we revise as necessary. We interpret the regulations and conduct our business in conformance with our obligations established by the real estate advertising rules set forth in the "Fair Competition Codes Concerning Indication of Real Estate" and "Fair Competition Codes Concerning Limitations on Premiums Provided by Real Estate Businesses." In view of specific cases experienced in the course of conducting our business, we have clarified our policies with regard to various scenarios and have compiled them in an easy-to-understand, practical manual.

It can be used as a guide for sales activities and designing advertisements, of course, but we also provide it to people associated with the real estate business to be applied as a reference manual for conducting activities in an autonomously ethical manner. We strive to ensure we never betray our customers' trust by encouraging false expectations or by failing to inform customers of things that would be to their disadvantage.



"Five Eyes" to Create Quality Residences

Mitsubishi Estate Residence proposes the peace of mind and quality required in condominiums with five areas of focus using "Five Eyes," an original system for all properties it offers under its The Parkhouse brand of condominiums for sale (some features available only in the Tokyo metropolitan area).

Five Eyes



CHECK EYE'S



ECO EYE'S



CUSTOM EYE'S



LIFE EYE'S



COMMUNITY EYE'S

- Check Eyes: Mitsubishi Estate Residence's original quality management and performance labelling system
- Eco Eyes: cutting-edge environmental specifications
- Custom Eyes: consultancy to help create a comfortable home including interior design
- Life Eyes: a security system jointly developed with Mitsubishi Jisho Community and the security company Secom Co., Ltd.
- Community Eyes: 24-hour, 365-day condominium management support for continued peace of mind after moving in

"Five Eyes" Creating Quality in our Residences



Introducing the NPS Scheme to Increase Client Loyalty in the Condominium Business

For our clients, the purchase of a condominium is a life-changing decision. Mitsubishi Estate Residence has introduced the Net Promoter System (NPS) to measure client loyalty not only before they make the purchase but also after they move in. Surveys are administered to clients at every phase – from the initial visit to contract signing to handing over, a year after moving in and two years after moving in – to gauge client endorsement levels. The reasons given are also noted and presented to the relevant departments as feedback to help improve products and services. While the comments received are occasionally harsh, the NPS scheme is still a valuable resource that helps the company boost client loyalty even higher.

See the following for evaluation results.

ESG Data > S: Social data > (2) Other > 2. Diversity > Employee satisfaction and customer satisfaction





Owner's Survey

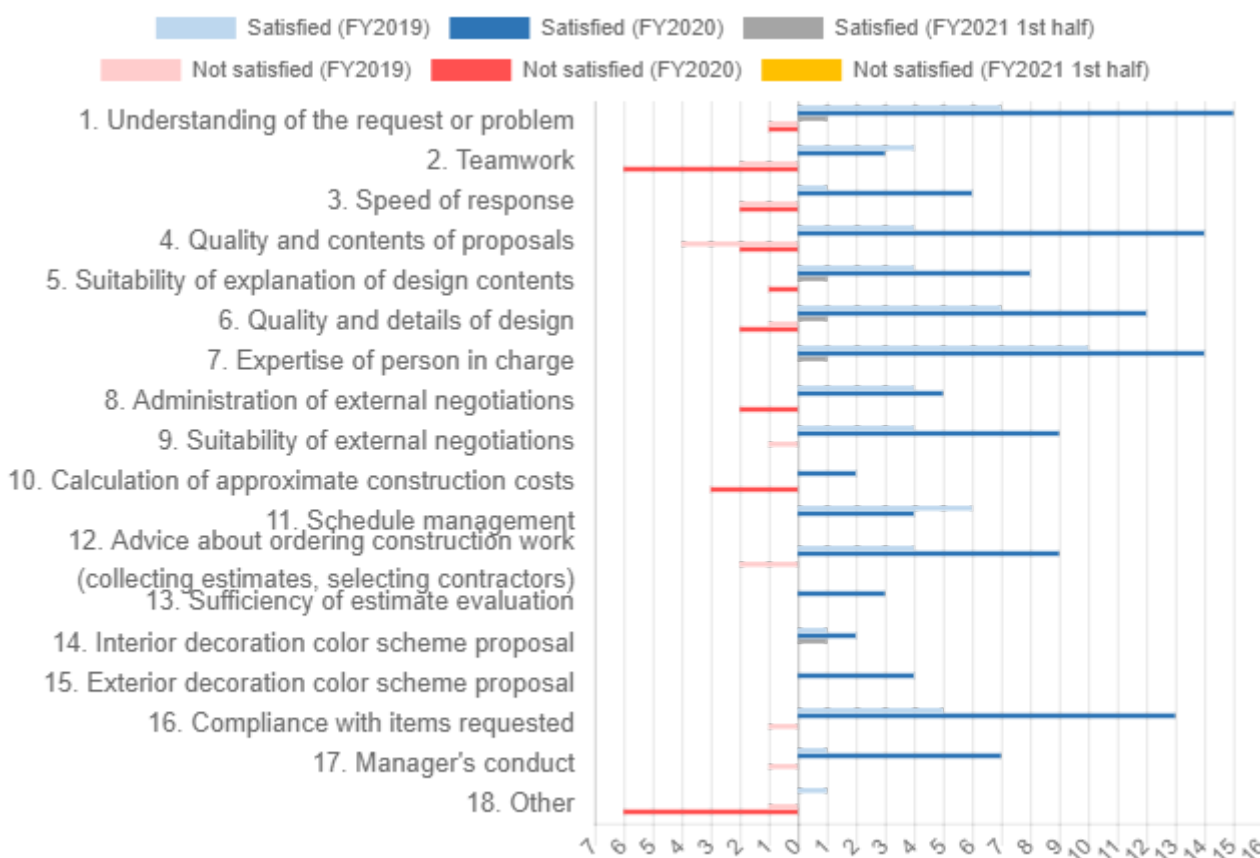
Mitsubishi Estate Home carries out owner's surveys to improve customer satisfaction and archives the results in a database that it shares with the rest of the company. The company is focused on strengthening its customer service via its home consulting services, which is a core component of its residential program starting from the initial stage and extending long after purchase. The survey results show that these efforts are paying off. We will strive to further increase customer satisfaction going forward through strengthening service capabilities and product design from the customer's perspective.

Improving Client Satisfaction with Architectural Design Management Operations

Mitsubishi Jisho Design strives to improve client satisfaction as part of its ISO 9001 quality management system. The company has compiled a list of "Don'ts" for design management operations which is shared on the company's intranet. Moreover, when a project is complete, the whole project is analyzed and assessed using the level of compliance with the client's requests as the standard.

Client Survey in Design Management Operations

Evaluation and Requests for Improvement when Ordering Designs or Construction



Number of respondents FY2019: 14, FY2020: 30, FY2021: 1



Basic Policy and Approach

The Mitsubishi Estate Group has set out to "contribute to creating a truly meaningful society through urban development" as stated in its Group mission. The Group has also established the Mitsubishi Estate Group Code of Conduct to articulate the actions needed to implement the carrying out of this mission. Further, it has implemented the Mitsubishi Estate Group Guidelines for Conduct which set out the specific standards of conduct in order to realize "who we aspire to be, how we aspire to be perceived, and what we should do in order to achieve these aspirations," as established in the Code of Conduct. The Group Guidelines stipulate the realization of sustainability, and we endeavor to ensure continued enhancement of corporate value, sustainable social development, and conservation of the global environment by creating long-term value through sound business practices.

In addition, the Group established its Guidelines on Social Contribution Activities in April 2008, revising the Social Contribution Activity Philosophy (created in 1994) from viewpoints including changing social issues and the necessity of implementing Group-wide initiatives. Group companies abide by these guidelines when conducting their activities as they engage in their respective businesses.

We also implement community investment, engage with NGOs, and participate in initiatives to better contribute to the society. Our focus areas — harmony with the local community, support for culture and the arts, environmental conservation, and social welfare — are set out in the Group Guidelines and linked to the Group's business strategy.

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 its 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.



Goals and Achievement Status

In the Long-Term Management Plan 2030, the Mitsubishi Estate Group sets out sustainability, providing solutions for the social issues of the times, as one of the focuses of its provision of value through business activities. As such, the Group has established the Mitsubishi Estate Group 2030 Goals for the SDGs in order to guide its actions in this area. The Group aims to achieve the policies and targets it has set out under the four key themes of the environment, diversity & inclusion, innovation, and resilience.

The Group will also promote initiatives with an eye on these key themes in its social contribution activities. We will engage in autonomous activities in the areas of harmony with local communities, support for culture and the arts, environmental conservation, and social welfare, the four priority areas under the Mitsubishi Estate Group Guidelines on Social Contribution Activities. In addition, we will work to enhance the value of the neighborhoods and create economic benefits through partnership and collaboration with diverse stakeholders, including NGOs, NPOs, and the public and private sectors, while continuing to contribute to solving social issues by joining and supporting a variety of organizations.

Programs to Support Employee Volunteer Activities

The Mitsubishi Estate Group is working to create an environment that makes it easy for people to volunteer, such as by establishing Volunteer Support Programs available to employees including Group companies.

Overview of Main Programs

Program	Overview
Days off for volunteering	Employees can use their accumulated days off (special PTO) for volunteering
Social learning	Employees can volunteer during working hours
Volunteer insurance*	The company provides insurance that compensates for accidents during volunteering (also for family members)
Activity fee subsidy*	The company partially subsidizes volunteer participation and travel expenses (also for family members)
Subsidy program for volunteer's travel expenses to disaster-affected areas*	The company partially subsidizes travel expenses for volunteering related to disasters covered under the Disaster Relief Act (also for family members)

* Program including Group company employees

See the following for the usage results of these programs.

[ESG Data > S: Social data > \(2\) Other > 2. Diversity > Number of employees using personnel programs](#)





Building Communities

EAT&LEAD – Providing Opportunities to Build "Standards of Value for Happiness" through Food

Mitsubishi Estate launched the Food Education Marunouchi Initiatives, a project addressing urban and food issues in 2008. The company has since developed numerous food-related programs in the area working in partnership with producers, consumers, and restaurants with the aim of creating a physically and mentally healthier society. These initiatives include the inauguration of the Marunouchi Chef's Club^{*1} and Will Conscious Marunouchi^{*2}, as well as hosting more than 200 events in the Marunouchi area.



With the desire to continue to lead and set the pace for the development of venues where each individual can achieve personal happiness and growth through healthy eating habits, Mitsubishi Estate is relaunching the project under the name EAT&LEAD.

Under the EAT&LEAD project, Mitsubishi Estate will develop a variety of workshops and programs dealing with food based on the three actions of increasing receptivity to food, increasing awareness of food consumption, and raising understanding of the cycle of support and growth. The aim is to help each individual examine their own measure of happiness and create opportunities for them to enhance self-fulfillment while creating a richer future together. EAT&LEAD will be based at MY Shokudo Hall & Kitchen, a hall with an attached kitchen nestled on the 3rd floor in TOKYO TORCH Tokiwabashi Tower (completed June 30, 2021) located in front of the Nihombashi Exit of Tokyo Station. Mitsubishi Estate will nurture connections among food professionals, rural regions, and consumers while promoting programs designed to pinpoint changing values and address social issues yet to be explored.

*1 [Marunouchi Chef's Club](#)

Chaired by Yukio Hattori, who is actively involved in a wide variety of food-related fields, and mainly composed of chefs who own restaurants in the Marunouchi area, the Marunouchi Chef's Club was established in February 2009 with the aim of proposing and disseminating ideas about food.

*2 [Will Conscious Marunouchi](#)

A project aimed at supporting working-age women to learn together about the options for a more fulfilling future. In partnership with various companies, the goal is to create a model case for a society that enables women to work long term in good health through urban development while building upon the knowledge and opinions obtained from the Marunouchi Infirmary survey.

[EAT&LEAD website \(Japanese only\)](#)





The Marunouchi Infirmary for Working Women

Mitsubishi Estate organizes the Marunouchi Infirmary working with Will Conscious Marunouchi, a project helping working women prepare for the future. The Marunouchi Infirmary has been providing health measurements and counselling with a focus on women in their 20s and 30s since 2014. Based on analyses of health data from more than 1,300 women, it has revealed the serious problem of underweight working women and health issues such as increased risk of juvenile diabetes, depression, and other issues due to poor nutrition and a lack of sleep and exercise. The results have also shown that one in five had experienced amenorrhea while about 90% of the participants hope to become pregnant in the near future. Based on this, the Marunouchi Infirmary has provided information to improve health literacy, particularly related to life events unique to women (pregnancy, childbirth, and menopause) and implementing opportunities for addressing physical and mental health in an accessible and fun way based on various population approaches from the three perspectives of individuals, society, and the environment.

As a new initiative in fiscal 2021, the project set out the theme of creating a culture to bring about a comfortable working environment for women and launched new programs working in collaboration with medical institutions, research organizations, and corporate human resource departments mainly in the Marunouchi area.



Marunouchi Infirmary (Japanese only)



Participating in the Japan Health Industry Federation

With an aging population, Japanese society faces the challenges of extending healthy life span while keeping social security costs low.

Mitsubishi Estate Co., Ltd., the Nippon Telegraph and Telephone Corporation (NTT), Renaissance Incorporated, and Toppan Printing Co., Ltd. established the Japan Health Industry Federation in October 2019 as a venue for inter-industry exchange consisting mainly of companies and industry groups. They meet with the goal of promoting all industries involved in extending healthy life spans in Japan (healthy longevity industries). Mitsubishi Estate's board chairperson serves as the vice president of the association.

The Japan Health Industry Federation engages in activities that go beyond the boundaries of various industries involved in extending healthy longevity, working to solve social issues on which the public and private sectors are united, all with the goal of extending healthy life spans in Japan and promoting healthy longevity industries.



Japan Health Industry Federation (Japanese only)





Area Management Led by the Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho

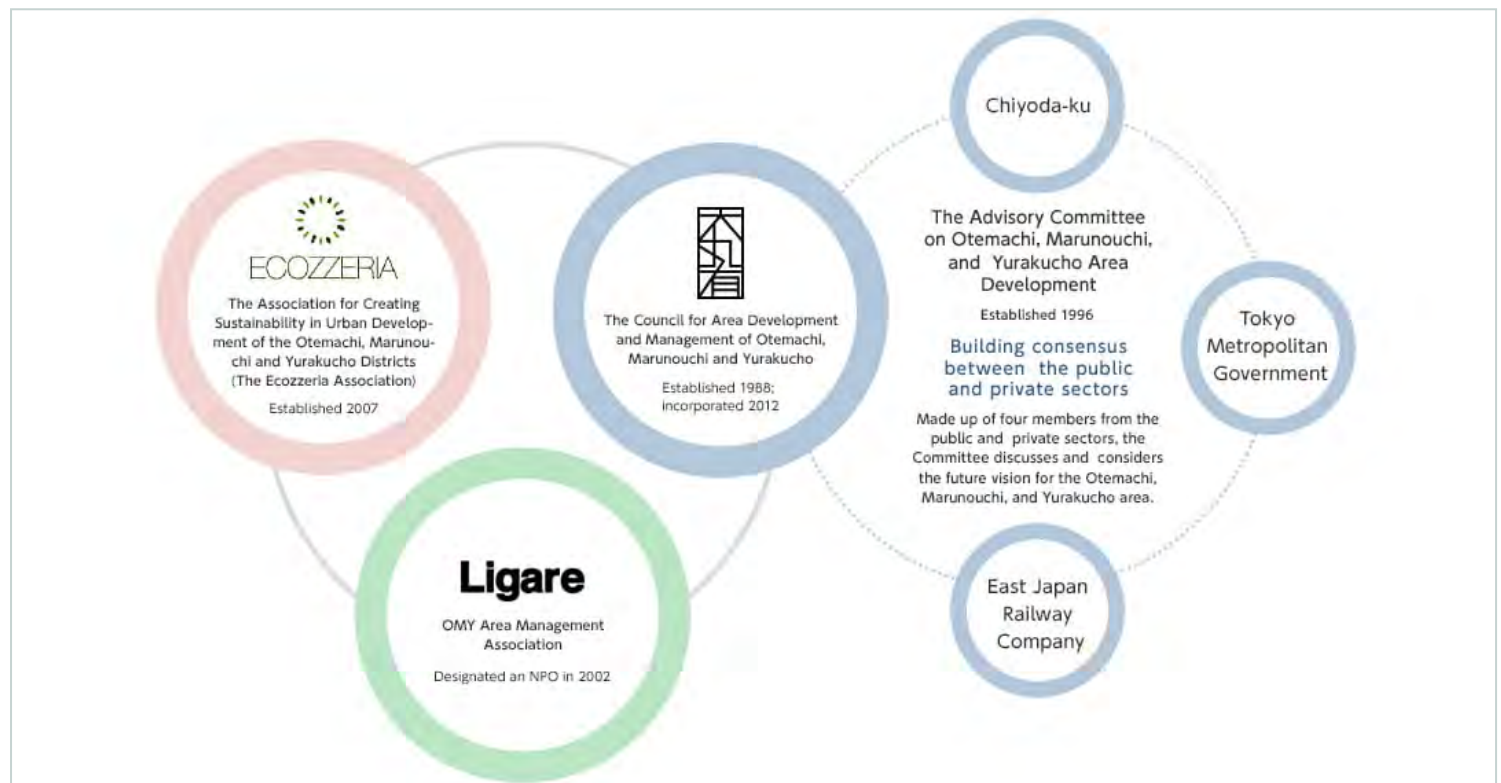
In July 2018, the Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho (OMY Council), which is made up of landowners in the Otemachi, Marunouchi and Yurakucho districts (also known collectively as "OMY area"), celebrated the 30th anniversary of its founding. Mitsubishi Estate serves as the presiding company of the Council. For more than 30 years, since the establishment of its predecessor organization in July 1988, the Council has set up infrastructure for urban space as well as promoting safe and secure urban planning that is sustainable and resilient in the wake of disasters. The objective is to create communities by developing and utilizing urban spaces appropriately and effectively.



Urban Terrace on Marunouchi Naka-Dori Avenue

The NPO OMY Area Management Association (also known as "Ligare") was also established in 2002, with the goal of raising the area's value not only through the creation of physical facilities and spaces, but also via social initiatives, including the provision of corporate networking events, generation of local vitality, managing banners in the area, and support for the operation of community buses. Ligare manages Urban Terrace, in which the street space on Marunouchi Naka-Dori Avenue opened for pedestrians, allowing them to enjoy various events on the streets. It has also extended the scope of its activities to include Destination Marketing/Management Organization (DMO) Tokyo Marunouchi, which aims to invite international conferences and other meetings, incentives, conferences and events (MICE) to the area.

In addition, the Association for Creating Sustainability in Urban Development of the Otemachi, Marunouchi and Yurakucho Districts (also known as the "Ecozzeria Association") works on business creation aimed at realizing a sustainable society. The association operates the 3×3 Lab Future, a hub for interaction in the community, that is a "third place," neither home nor office, and holds seminars and workshops on a variety of social issues such as the environment and energy, regional revitalization, women's empowerment, and biodiversity. 3×3 Lab Future generates cycles of innovation by creating interaction between diverse human resources cutting across industry and sector boundaries, including government and academic institutions as well as private-sector companies.





Marunouchi Naka-Dori Avenue becomes increasingly important as the center of the area's vitality (left: around 1967; right: around 2018)

Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho



Ligare (Japanese only)



Ecozzeria Association





Initiatives to Connect with Community and the Next Generation under the TOKYO TORCH Project

Mitsubishi Estate completed construction on the Tokiwabashi Tower in June 2021 as the first step in the TOKYO TORCH (Tokyo Station Tokiwabashi Project), a development project underway at the Nihonbashi Exit of Tokyo Station. It has been implementing a variety of initiatives aimed at the completion of the entire project in 2027 and the more distant future in line with the five keywords of "sustainable," "socializing," "smart," "sightfeeling," and "story." Under the Japan Nationwide Bridge Project, Mitsubishi Estate works in partnership with 47 Kai* and tours well-known bridges in all 47 Japanese prefectures to hold bridge clean-up events. The aim of the project is to develop new communities through the clean-up events, and to help make Japan and its regional areas vibrant as the social circles created through the events expand. The project kicked off in November 2018 and had toured eight locations as of November 2019.

* 47 Kai: An association that aims to act as a liaison between local public servants in Japan's 47 prefectures and central government ministries and agencies

Mitsubishi Estate has also been implementing initiatives aimed at young people who will lead the next generation based on the theme of connecting the next generation with resources, material things, knowledge, experience, and thoughts we want to pass on. In 2019, Mitsubishi Estate hosted sixth-grade students from Tsubame City Tsubame-higashi Elementary School at the TOKYO TORCH presentation room and held the Children and Adults Dream Exchange Program.

Together with Nakagawa Masashichi Shoten, a traditional craft shop based in Nara Prefecture, boasting 300 years of history, Mitsubishi Estate launched the Another Japan joint project in the urban center in summer 2022. This shop will sell regional specialties, using university students from all 47 prefectures of Japan divided into six groups acting as management, handling everything from purchasing to customer service and sales. The experience gained here will teach them about regional areas and management, in hopes of helping them choose their own hometowns as future places to work. This will in turn bring true revitalization to these communities with the aim of making it a place that creates a beneficial cycle for making Japan a better place.



Tokiwabashi bridge clean-up, the first event in the Japan Nationwide Bridge Project



18 Another Japan first term settler students

[TOKYO TORCH project website \(Japanese only\)](#)





"Experience Nature" Project

In 2008, the Mitsubishi Estate Group began the "Experience Nature" Project with the NPO Egao Tsunagete (which literally means "connecting smiles" in Japanese), located in Hokuto City, Yamanashi Prefecture, with the goal of creating a society where urban and rural communities pool their resources and help to revitalize one another.

With this project, in addition to working with the local government to promote effective use of Yamanashi Prefecture-produced timber, employees help to cultivate and restore abandoned farmland to produce sake-grade rice using agricultural methods that do not use pesticides or chemical fertilizers.

Since 2010, the company has been working with local sake breweries and long-established confectionery stores to create new products by processing the sake-grade rice harvested through cooperative efforts into various forms, such as junmai-shu sake Marunouchi and confectionery made from sake lees. These activities and products symbolize Mitsubishi Estate's sustainability efforts and have been utilized in a variety of settings.

In fiscal 2017, to celebrate the 10th anniversary of the project, junmai-shochu Otemachi, a distilled rice liquor, was released. Of the harvested sake-grade rice, the rice that did not meet the standard for junmai-shu sake was effectively utilized to produce the junmai-shochu. This shochu was developed with a brewery in Hokuto City using natural yeast (hanakoubou) obtained from sunflowers, the official flower of Hokuto City, in collaboration with the Department of Fermentation Science at Tokyo University of Agriculture.

During the course of each year's sake-grade rice cultivation, we conduct hands-on rice planting and harvesting tours for Group employees. These tours have evolved into an opportunity for learning about the SDGs by fostering environmental awareness and deepening understanding of biodiversity issues.



"Experience Nature" Project (Japanese only)



Official Partner of the Japanese Para-Sports Association

Mitsubishi Estate became the official partner of the Japanese Para-Sports Association, also known as the JPSA, in April 2019.

The JPSA was established as the umbrella group for promoting the growth of parasports in Japan thanks to the 1964 Tokyo Paralympics Games. The Mitsubishi Group supports the JPSA cause of creating a vibrant, inclusive society, and together with the JPSA is actively engaged in efforts to grow para-athlete sports. Group employees also support parasports events as volunteers and spectators to add to the excitement.



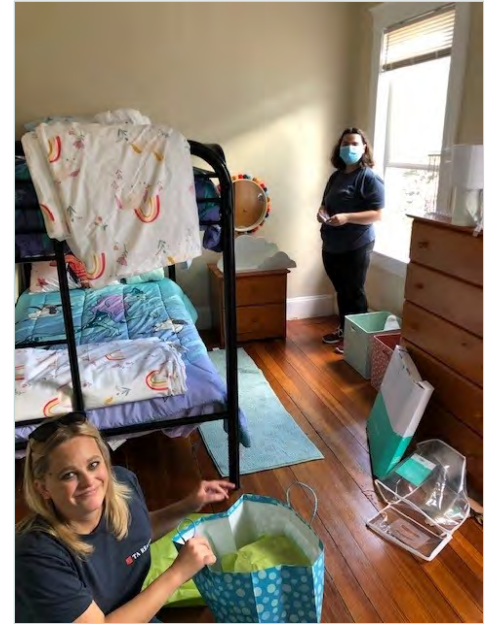


Providing Housing for Extremely Low Income Families

TA Realty partnered with Heading Home in 2021 in an effort to help Heading Home address the growing homelessness issue in the city of Boston. Heading Home is one of the city's largest providers of emergency, transitional and permanent housing for extremely low-income individuals and families. Heading Home not only provides shelter but also works with their clients to understand the root causes of homelessness and provides support (financial coaching, resume building, child support resources, etc) to help that individual or family on their successful path out of homelessness.

Heading Home's Up & Out, the volunteer opportunity in 2021, paired a group of TA Realty employees with a Heading Home client and her two young daughters who were being moved out of a shelter and into their very own home. Volunteers were responsible for purchasing all of the items for the apartment (furniture, decorations, toys, cleaning supplies and food) and then spent the day cleaning and decorating the apartment. The day ended with TA Realty employees handing the keys to the home over to Heading Home's client. TA Realty's contribution to this move allowed the client to move into a space that already felt like home, reducing all associated financial burdens, and ending their homelessness.

TA Realty will continue to build partnership with Heading Home to create more volunteer opportunities within the community that we live and work in.



Lemonade Stands Act in Support of Pediatric Cancer Research Held at Six Different Royal Park Canvas Hotels

In August 2022, six The Royal Park Canvas hotels, a lifestyle hotel brand operated by Royal Park Hotels, ran a Lemonade Stands Act in support of pediatric cancer research. Lemonade was sold for ¥200 a glass in the hotels' Canvas Lounges, and some of the proceeds were donated to groups involved in pediatric cancer research via the Lemonade Stand Promotion Association.

Lemonade Stands Act is a social contribution activity that became popular when a young American girl, who was a pediatric cancer patient, made and sold lemonade in front of her house and used the proceeds to support pediatric cancer research. The Lemonade Stand Promotion Association is an organization established in 2016 to popularize the activity in Japan. The event was held at The Royal Park Canvas by the hotel staff in support of the association's motto, "Have fun together for the benefit of the world," a sentiment similar to the Canvas philosophy of FUN, LOCAL, CONNECT. The event in August 2021 was only held at The Royal Park Canvas Osaka Kitahama, but due to its popularity, it was expanded this year.



Last year's event (The Royal Park Canvas Osaka Kitahama)



Support for Culture and the Arts

Operating the Mitsubishi Ichigokan Museum, Tokyo

Mitsubishi Estate operates the Mitsubishi Ichigokan Museum, Tokyo in the Marunouchi area of Tokyo. It presents three different exhibitions each year focusing on modern art dating from the late 19th to early 20th century. The museum is housed in a stately red brick building that was constructed in 1894 by Mitsubishi – the first office building in Marunouchi – and then restored in 2009. The museum opened in spring the following year. It was designed by the English architect Josiah Conder at the invitation of the Japanese government. Some of the building's original architectural components, such as the stone handrails for the staircases, have been reused.



Exterior of Mitsubishi Ichigokan Museum, Tokyo



Restored bank lobby now in use as
Café 1894

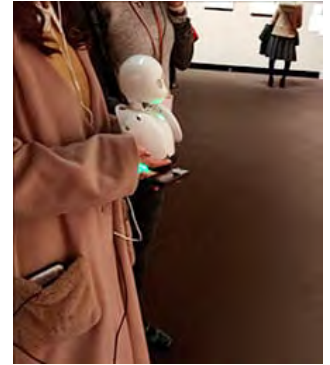


Former bank lobby



Launch of Museum for All Project

Mitsubishi Ichigokan Museum has been holding “Empathy Week” coinciding with Human Rights Week since 2017 with the aim of creating a spirit of caring and empathy in an environment where people with and without disabilities can share an appreciation of art. In December 2021, the museum launched the new Museum for All Project, which will be implemented in stages to make the museum accessible to a wide variety of people.



Enjoying art via OriHime

FY2021 Museum for All Project Initiatives

- From December 1 to December 14, people with a disability certificate and one attendant are given free entry to the museum, and visitors are encouraged to allow one another to view the art in comfort.
- The museum used the communication robot OriHime from Ory Laboratories Inc. to conduct remote gallery talks, providing the opportunity to appreciate art for people unable to go out.
 - * See [the Ory Laboratories Inc. website](#) for more details about the communication robot OriHime.
- Initiatives Planned for the Future

The museum plans to implement initiatives for people from a wide range of backgrounds, including remote viewings using other devices in addition to OriHime and building tours available for a variety of people.

La Folle Journée Tokyo

La Folle Journée Tokyo is a classical music festival held at the Tokyo International Forum since 2005. Staged at various venues in the heart of Tokyo during the Golden Week holidays, the festival has established itself as a new-style music event and has contributed to vitalizing the Marunouchi area and sharing its culture. Mitsubishi Estate has participated as a sponsor since its inception and has helped organize associated classical music programs in the Marunouchi area, at venues such as the Marunouchi and Shin-Marunouchi Buildings. The entire area is involved in the music festival and has been working to create an attractive and vibrant neighborhood.

In fiscal 2021, the music festival was suspended due to the COVID-19 pandemic. However, over the Golden Week period from April 28, 2021, Mitsubishi Estate held the Marunouchi Golden Week Festival 2021, which allowed classical music concerts and other events held in the Marunouchi area to be enjoyed online.

See below for initiatives in fiscal 2021.

Holding of Marunouchi Golden Week Festival (Japanese only)





Art Award Tokyo Marunouchi

Art Award Tokyo Marunouchi aims to discover, nurture, and support the talent of young artists, and to contribute to enlivening the area through art. Graduation and diploma projects created by undergraduate and master course students at major art universities around Japan are selected and exhibited in the Marunouchi area (the Otemachi, Marunouchi and Yurakucho districts). Awards are given to talented artists with great future prospects. Since this award was established in 2007, it has functioned as a gateway for young artists. The exhibition has resulted in artists participating in individual and group exhibitions, and some are active in various fields. Mitsubishi Estate has been a special sponsor, with the Mitsubishi Estate Co., Ltd. Prize established in fiscal 2012.

Going forward, we will continue our activities supporting artists aimed at creating a place for the discovery and active participation of new talent.

See the following for initiatives in fiscal 2021.

Holding of ART AWARD TOKYO MARUNOUCHI 2021 (Japanese only)



GEIDAI ARTS in Marunouchi

Mitsubishi Estate has held GEIDAI ARTS in Marunouchi in partnership with Tokyo University of the Arts since 2007. This event supports young, up-and-coming artists and provides visitors to the Marunouchi area the opportunity to enjoy fine arts through various types of experiential art events.

In fiscal 2021, the 15th event was held continuing last year's theme of "Art Vaccine" to disseminate art and music produced with the skills of young artists from Marunouchi as a "spiritual vaccine" and to shine a light in times when people feel pain in their hearts.

See the following for initiatives in fiscal 2021.

Holding of GESIDAI ARTS in Marunouchi 2021 (Japanese only)



* Each of the programs were held with adequate measures taken to curb the spread of COVID-19, including temperature checks and disinfection, ensuring social distancing among performers and staff, and restricting the number of people entering venues.

Supporting Orchestras

Mitsubishi Estate has supported the NHK Symphony Orchestra, Tokyo, as a special corporate supporter since 1991 as one facet of its continuing support for culture and fine arts. Mitsubishi Estate has also supported the Japan Philharmonic Orchestra as a special member since 1998, and the Tokyo Philharmonic Orchestra as a corporate supporter since 2007.



MAGUS, a Platform for Japan's Art Scene

In March 2021, Mitsubishi Estate, Warehouse TERRADA, TSI Holdings Co., Ltd., and Tokyu Corporation formed a consortium and established MAGUS Co. as a platform provider specializing in information, with the aim of connecting people and companies through art-related media and to create a new community and new economic zone for art.

While "art" is becoming a keyword of the times in Japan, the reality is that the domestic art market is still small relative to the size of the economy. By proactively connecting the world with Japan and buyers with creators, MAGUS will contribute to making art more accessible and transforming society so that companies and individuals support artists and purchase their work on a daily basis. The company will operate business consulting and seminars that utilize art for business and develop a media business that communicates the diverse enjoyment of art.

Mitsubishi Estate has been incorporating art into urban development for many years, believing that art is not only culture but also promotes communication and awareness among workers, which frees their thinking and leads to tolerance for diverse values. Through its investment in MAGUS, Mitsubishi Estate will continue to utilize art in urban planning and development and strengthening relationships with customers going forward with the aim of creating an enriched society.



Social Welfare

Basic Policy and Approach in Urban Development

The Mitsubishi Estate Group has set out to "create a truly meaningful society" as its Group Mission by "building attractive, environmentally sound communities where people can live, work and relax with contentment," based on the Three Principles, which is the management philosophy of the Mitsubishi Group.

In order to further promote this mission, the Mitsubishi Estate Group focuses on sustainability in urban development, including urban regeneration, taking into consideration social needs such as disaster preparedness and barrier-free access in all properties as part of the planning phase and guide the development and operation phase as well as the prevention of the spread of infectious diseases and thereby allowing diverse people – regardless of nationality, race, color, language, religion, sex, gender, sexual orientation, gender identity, age, political or other opinions, national or social origins, property, disability, birth, class, or other status – to live, work and relax with contentment.

Moreover, to facilitate use by many people, we consider access to public transport during design and development stages in all properties as we select development sites and make investments. We also consider planning and design that allows individual users to live in comfort when proceeding with development and refurbishment.

Supporting Children with Disabilities through Kira Kira Art Competition

Mitsubishi Estate established the Kira Kira Art Competition in 2002, with the desire to support the full potential of children with disabilities. It began with 496 works submitted in the first competition, a number that rose to 1,147 from 38 prefectures in fiscal 2021, its 20th year.

The Award for Excellence-winning works, which are selected through a screening process, are exhibited in nine venues across Japan, from Sapporo to Fukuoka, and all entries, including the Award for Excellence-winning works, are published on the dedicated website. In fiscal 2021, again in collaboration with OMY SDGs ACT5, we held the Marucube Judging Session with the participation of workers and visitors in the Marunouchi area. The award ceremony, which was first held online in fiscal 2020 due to the COVID-19 pandemic, was again held in a virtual format, and winners from all over the country came together online.

The Kira Kira Art Competition was selected for the "beyond2020" program in fiscal 2021, in which the government recognizes cultural programs contributing to the creation of legacy that is proud of the next generation and suited to a mature society, making full use of Japan's rich and diverse regional cultures. Past submissions have been featured in publications, including pamphlets and calendars for corporations. Moreover, some of the winners of this competition are registered as an artist with Artbility*, an art library operated by the social welfare corporation Tokyo Colony, as they continue to develop their creative activities. An exhibition featuring works by these Artbility artists was held at the same time as the Award for Excellence exhibition at the Tokyo venue.

The competition is an opportunity to appraise and discover the rich talents of disabled children, and Mitsubishi Estate continues to provide support with the hope of expanding the breadth of artistic activities and helping them thrive.

* An art library established in April 1986 by Tokyo Colony, a Kira Kira Art Competition partner, to help people with disabilities gain income and increase social inclusion. The library currently stocks about 6,000 works by some 200 artists. The works are lent out for a fee for use in publications and other media.

Kira Kira Art Competition (Japanese only)





Outline of the 20th Kira Kira Art Competition

- Call for artwork (July–September)** : A total of 1,147 submissions were received
- Judging (October)** : Some 341 people took part in the Marucube Judging Session over two days
- Exhibition of Award for Excellence winners (November 2021–February 2022)** : The 50 Award for Excellence winners were exhibited at nine venues across Japan (Sapporo, Sendai, Tokyo, Yokohama, Nagoya, Osaka, Hiroshima, Takamatsu, and Fukuoka)
- Award ceremony (November)** : Held online. Award for Excellence winners and representatives from their schools were invited to attend the ceremony virtually, which included messages from the judges, live performance by professional musicians, and an introduction of works by the award winners.

- Judges** :
- O JUN (artist; professor emeritus, Tokyo University of the Arts)
 - Michiko Aoyagi (associate professor, Tokyo University of the Arts; pedagogy researcher)
 - Katsuya Nishida (graphic designer, Katsuya Nishida Design Office)
 - Hirokazu Takahashi (director, Artbility, Tokyo Colony)
 - Junichi Yoshida (President & CEO; Mitsubishi Estate Co., Ltd.)
 - Reiichi Noguchi (senior curator; Mitsubishi Ichigokan Museum, Tokyo)

* Titles and affiliates are as of the time the 20th competition was held.



Exhibition (Tokyo venue: Marucube, Marunouchi Building)



First round of judging



Marucube Judging Session



Virtual award ceremony

- * The exhibition was held with adequate measures taken to curb the spread of COVID-19, which included temperature checks and disinfection, ensuring social distancing among staff, and restricting the number of people entering the venue.



The Mitsubishi Estate Shall We Concert Brings Live Music to Children with Disabilities

Mitsubishi Estate holds the Mitsubishi Estate Shall We Concert for students at special needs schools, who have few opportunities to leave their school and experience live music. This reflects our viewpoints of supporting culture and fine arts, and social welfare, two of the priority fields of Mitsubishi Estate's social contribution activities. The goals of this concert are for professional musicians to visit these schools to share the fun and charm of music, and to provide opportunities for children to learn about instruments and music. These concerts started in fiscal 2004, and were held at four schools in fiscal 2021, bringing live music to a total of 99 schools and more than 10,000 students to date.

Mitsubishi Estate works together with schools to decide the concert programs. These are not limited to classical music, as they sometimes include music from Studio Ghibli or Disney films, songs students learn in school, and school songs. These events also include opportunities for students to engage in group performances together and see musical instruments up close. The concerts also include explanations of the compositions and instruments between performances. The students experience the music by singing, dancing, or clapping in tune with the rhythm.

Also in fiscal 2021, due to the impact of COVID-19, there were fewer visits than usual. However, concerts were held following full consultation with schools to ensure thorough measures against infection, such as the wearing of surgical masks by performers and restrictions on audience numbers.

FY2021 schools

Tokyo Metropolitan Kodaira Special Needs Education School
Tokyo Metropolitan Bokuto Special Needs Education School
Tokyo Metropolitan Hanahata Gakuen Special Needs Education School
Tokyo Metropolitan Sumida Special Needs Education School

Performers

- Japan-Austria Cultural Association
(piano, marimba, percussion)
- Music Players Okawaridan
(violin, trumpet, saxophone, tuba, percussion, piano)
- Vanmeters
(tuba, piano, saxophone, percussion)
- NPO Triton Arts Network
(trumpet, horn, trombone, tuba, drums)



Table for Two Delivering School Lunches to Children in Developing Countries

Sparkle, the employee cafeteria at the Head Office of Mitsubishi Estate, has been taking part in Table for Two, a program that supports children in developing countries, and encourages employees to help solve social issues through the purchase of eligible menu items.

Table for Two is an initiative being run by the non-profit organization Table for Two International. The program aims to help improve the health of people in both developing and developed countries simultaneously. When eligible health-conscious menu items are purchased, 20 yen per meal is donated and the contribution is utilized toward providing school lunches for children in developing countries in Africa and Asia. The donation for one meal is the equivalent of one school lunch for the children.



Sparkle has taken part in Cup for Two, which is a program for beverages only, since February 2018, right after the relocation of the Head Office, and had implemented the donation program for the purchase of smoothies. Starting from April 2019, the cafeteria expanded the program to include some of the items on the lunch menu as well, introducing a full-scale Table for Two program. From the introduction of the program up to March 2022, there had been donations of 593,200 yen, equivalent to 29,660 meals.



SUSTAINABILITY ACTIVITIES (ESG)

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Governance Compliance

Compliance Approach and Policies

The Mitsubishi Estate Group believes that compliance does not simply involve legal compliance, but is also defined as adherence to internal rules and corporate ethics.

After Mitsubishi Estate was found to have violated some stipulations of the Commercial Code of Japan in 1997, the Mitsubishi Estate Group Basic Mission and Mitsubishi Estate Group Code of Corporate Conduct were formulated to reflect the company's resolve to never repeat the same mistakes. The Code of Conduct and Basic Mission were revised in 2006 as part of a serious and humble response to the discovery of soil and groundwater contamination problems at Osaka Amenity Park (OAP) in 2005.

The company regards compliance as one of its most pressing issues to address. Moreover, as the company continues to expand its businesses domestically and internationally, its social responsibilities increase in sophistication and global scale. This has led to a greater need for the whole Group to share a sense of values and a standard of conduct. This is why the Mitsubishi Estate Group Guidelines for Conduct were revised in April 2018 with the hope that they will increase true corporate value by being applied to the daily actions of individual employees and executive officers.

The Mitsubishi Estate Group aspires to build trusting relationships with its stakeholders through a highly transparent management system and reinforced compliance. Not only does the Group comply with laws and regulations but it also works hard to meet all the expectations of clients and society as it strives to achieve its basic mission of contributing to society through urban development. The Group also identifies and responds appropriately to various business risks.

Mitsubishi Estate Group Guidelines for Conduct (Extract)

1. Compliance

We comply with all laws and regulations, and respect the social norms in the areas in which we conduct business. We establish and abide by corporate ethics, and respond to the expectations of a changing society. In addition:

1. We engage fairly in all business dealings
2. We manage and safeguard information appropriately
3. We engage in efforts to prevent corruption in any form
4. We refuse any and all criminal activities in our business dealings, and
5. We are highly sensitive and responsive to societal changes.



System for Promoting Compliance

Mitsubishi Estate's compliance system has its roots in the determination of its executives and employees to improve their awareness and reform the organization after the company was found in violation of some stipulations of the Commercial Code of Japan in 1997. The Code of Corporate Conduct was formulated to define the company's basic commitment to reform, and was further refined in 2002. Group-wide reform was implemented, with all employees sharing the sense of urgency. In July 2005, a Compliance Advisory Committee consisting of external experts was formed on a temporary basis to review the compliance system in light of the soil and groundwater contamination problems discovered at Osaka Amenity Park. This committee worked to improve the corporate culture, for example, by revising the Code of Conduct.

In April 2018, the Mitsubishi Estate Group Guidelines for Conduct were revised and the company stepped up its compliance practices to meet changing demands in society and an expansion in business areas.

The current compliance promotion system is administered by the Risk Management & Compliance Committee and the Risk Management & Compliance Subcommittee. The Risk Management & Compliance Committee is chaired by the president of Mitsubishi Estate and comprises the executives from respective functional and business groups as well as the Corporate Group and discusses issues concerning Group compliance and risk management. The Risk Management & Compliance Subcommittee, which comprises general managers, holds discussions before the committee meets. In addition, an executive director has been appointed by decision of the Board of Directors as the Executive Director of Compliance to take responsibility for overseeing and promoting compliance. All Mitsubishi Estate departments and Group companies are working closely with the Legal & Compliance Department, which serves as the executive committee, to pursue compliance in a coordinated manner.

Besides the normal reporting lines provided through the help line and other systems for consultation regarding and reporting of compliance violations by Group employees, temporary employees, and part-time employees, and various other part-time staff, the Group has established procedures for direct consultation and reporting to the Legal & Compliance Department at Mitsubishi Estate. Depending on the substance of the inquiries, they are studied and the situation is confirmed with the aim of improving the working environment. When a compliance violation is suspected, a meeting of the Disciplinary Committee is held as needed to take the appropriate action. In an unlikely event of a serious compliance violation, action is taken in accordance with the Emergency Response Manual.

In accordance with the Mitsubishi Estate Group Management Rules, systems for consultation and reporting have been established for any compliance violations that occur at Group companies.

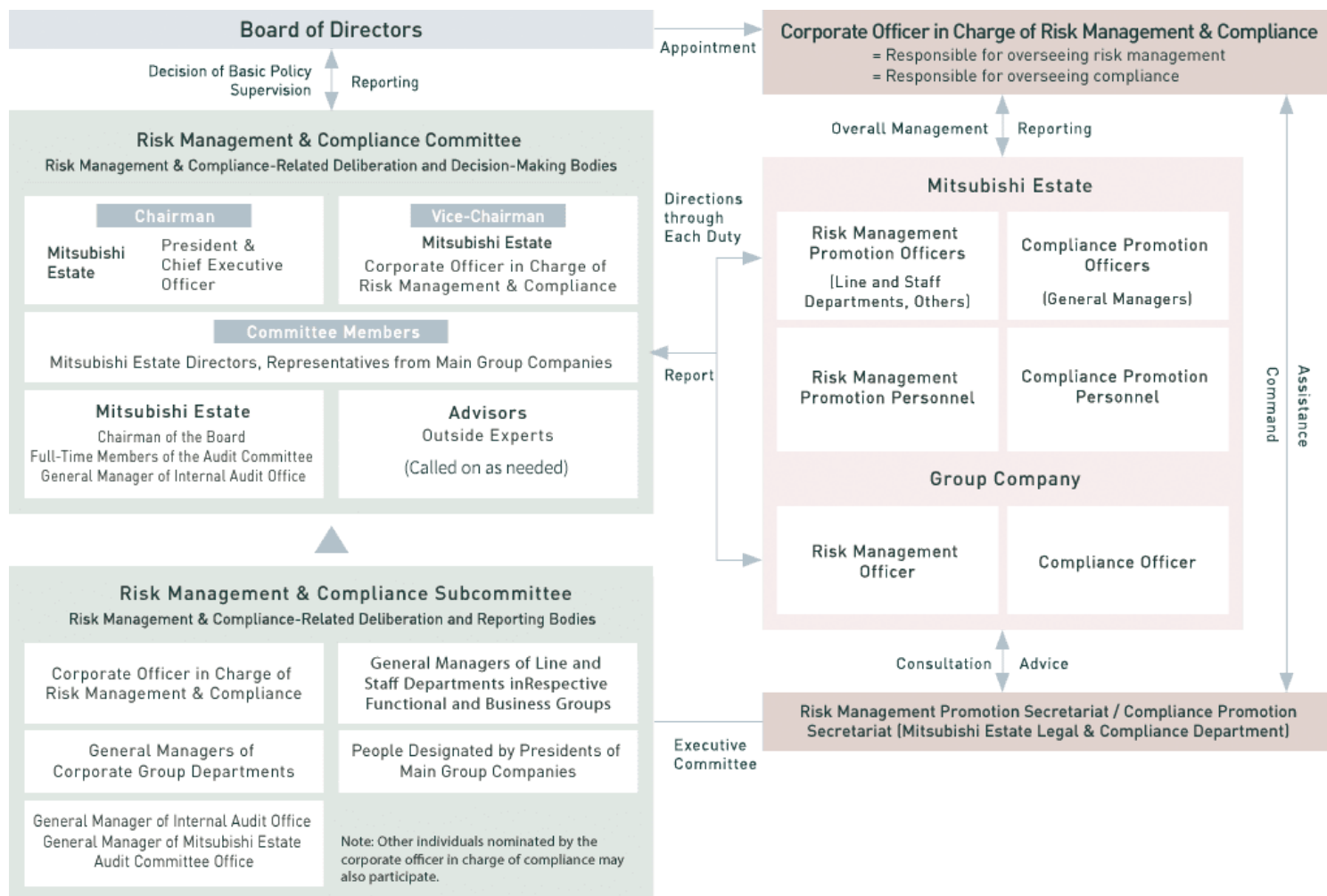
A compliance survey is implemented for all Group officers and employees, including Group employees, temporary employees, part-time employees, and various other part-time staff, every two years to conduct a regular internal review of the status of adherence to the Mitsubishi Estate Group's Basic Mission, the Code of Conduct, and Guidelines for Conduct. In addition, in order to promote understanding of the Code of Conduct, the Group obtains a pledge from employees as an expression of adherence to the guidelines.

Compliance Advisory Committee





Mitsubishi Estate Group Risk Management and Compliance System (as of April 2022)





Compliance Advisory Committee

In October 2004, the company premises were searched as a result of its violation of the Real Estate Brokerage Act by selling the OAP Residence Tower, a condominium in Osaka with known soil contamination issues, without informing clients. This was known as the OAP Incident.

Although the OAP Incident was legally dismissed in June 2005, the company reflected deeply on its actions and set up the Compliance Advisory Committee in response, under the direct supervision of the company president. The Committee was chaired by Professor Taka of the School of Economics and Business Administration of Reitaku University and was tasked with offering recommendations concerning the checking, strengthening and improving of the compliance system to prevent a recurrence of such an incident. It was also asked to give suggestions on how to improve the corporate culture.

In December of the same year, after seven rounds of deliberation, "Recommendations for Improving the Character of the Mitsubishi Estate Group - Lessons from the OAP Incident" were compiled and issued as a report in January the following year.

Recommendations for Improving the Character of the Mitsubishi Estate Group - Lessons from the OAP Incident (PDF 48KB)
(Japanese only)



An overview of the committee is provided below. Titles and departments stated are as they were at the time.

Advisory Committee Overview

1. The objective for establishing the Advisory Committee

To obtain recommendations on checking, improving and strengthening the compliance system and advice on improving corporate culture from the objective viewpoints of external experts to prevent a recurrence of the OAP Incident and other incidents.

2. The position of the Committee within the organization

An advisory committee under the direct supervision of the company president.

* The president received the findings and recommendations of the Compliance Advisory Committee and deliberated on them and decided on concrete plans along with the CSR Committee, an existing company decision-making body.

3. Members

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion] * Also attended by personnel who were not officers in charge of departments as necessary



4. Period of activity

July–December 2005 (6 months) Met on average once a month

5. Executive Committee

CSR Department, Planning Division

History of Compliance Advisory Committee Meetings

1st Meeting: Compliance Advisory Committee

1. Date and time

July 15, 2005 (Fri) 15:00 - 16:40

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

4. Deliberations (summary)

The Committee deliberated on how the Compliance Advisory Committee should proceed and finalized the following items as deliverables.

- (1) Revising the Mitsubishi Estate Group Code of Conduct
- (2) Formulating guidelines for the sale of residential buildings
- (3) Creating a report on the findings of the Compliance Advisory Committee

They also decided to publicize the details of discussions held by the Committee in summary form.



2nd Meeting: Compliance Advisory Committee

1. Date and time

August 11, 2005 (Thu) 13:30 - 15:35

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) The history of Mitsubishi Estate's compliance structure

- They explained the history and status of existing initiatives such as the Mitsubishi Estate Group Code of Conduct, the regulations and organization of the Compliance Committee and the kinds of training provided.

(2) The OAP Incident

- They provided an overview and history of the OAP project.

(3) The Investigative Committee for the Explanation of Important Matters

- They introduced the newly-formed Investigative Committee for the Explanation of Important Matters which is responsible for revising the key points and ensuring the thoroughness of the material created when drawing up contracts and explanatory documents about important matters during the sale of residential buildings.
- They also pointed out differences in knowledge of residential buildings between business operators and purchasers and the need for the persons responsible for marketing to pay attention to their speech and conduct.

(4) Compliance policies for ordering construction work

(5) The State of Emergency Guidelines

(6) Exposing potential risks

(7) Meeting to exchange ideas between mid-level employees

- In early August, Committee Chairman Professor Taka met with 30 mid-level employees from Mitsubishi Estate and the Mitsubishi Estate Group to exchange ideas. The ideas received on the occasion were explained and then discussed among the committee members and the decision was made to reflect the ideas in future training sessions.



■ Problems with the company noted during the idea exchange meeting

- The negative effects of the company's headquarters system
- The lack of a generational balance in the personnel structure
- The need for greater clarity in the decision-making process
- The lack of leadership provided by superiors

5. Other opinions

It was pointed out that training is of vital importance since it not only spreads awareness of compliance but also encourages self-reliance and a reformed mindset among individual employees.

3rd Meeting: Compliance Advisory Committee

1. Date and time

August 24, 2005 (Thu) 16:00 - 18:10

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors" Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) Conflict of Interest manuals and their application in the Fund Business and other businesses

- Plans to add information about conflicts of interest in the Fund Business and other businesses to a compliance handbook were explained.



(2) Exposing problems through in-house consultations and group questionnaires

- The Mitsubishi Estate Group's system for eliminating ties to organized crime was explained.
- Examples of inquiries received through the internal company helpline (internal reporting) system were provided and it was agreed that the responses given were generally conscientious. However, it was noted that the penalties for compliance violations set out in regulations needed further explanation.
- The need to adopt a no-tolerance approach to sexual harassment and abuses of power in particular was noted.
- It was suggested that a questionnaire be administered to measure employee satisfaction levels.
- Proposals were made concerning a revision of the contents of the compliance handbook.
- Concerning the implementation and importance of compliance, the point was made that there might be a difference in real intentions as opposed to public attitudes. Thus, it was suggested that creating a detailed manual would be effective at spreading awareness of compliance among employees and officers.

4th Meeting: Compliance Advisory Committee

1. Date and time

September 27, 2005 (Tue) 13:00 - 16:00

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) The OAP Incident

- It was explained that the company was conducting an internal investigation into the OAP Incident and that a report would be provided once it was ready.



(2) The formulation of guidelines for the sale of residential buildings

- An explanation was given about the Investigative Committee for the Explanation of Important Matters which was started by the head office of the Residential Business. The approach of widely communicating even information that clients might consider negative was also explained.

- Committee members expressed a certain level of approval for this initiative.

- Committee members then pointed out the following and made the following recommendations.

Actively disclosing information that clients may consider negative is important for the sustainable development of the company.

Explanations should be given to clients in a way they can understand, which means a system to facilitate the provision of such explanations is essential. Consideration should be given to concrete plans that take the viewpoint of clients into account such as checks by parties outside the company.

Along with the preparation of a manual, the company's sense of values based on viewing matters in the client's position should be reflected in the structure instead of being left solely to the individual's mindset. This is necessary in order for those in charge of development and individuals responsible for marketing to share that sense of values.

It is important to share information between parent companies and subsidiaries, as well as to reform the mindsets of subsidiaries and parent companies which may inhibit that process.

(3) Revising the Code of Conduct

- The course of action for the revision of the Basic Mission and the principles for action were explained.
- The reform proposal was positively evaluated for its easy-to-disseminate ideas.
- It was explained that more detailed Guidelines for Conduct would be considered in the future.

5th Meeting: Compliance Advisory Committee

1. Date and time

October 21, 2005 (Fri) 14:00 - 17:00

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]



4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) The formulation of guidelines for the sale of residential buildings

- A report was given on the decisions made by the Investigative Committee for the Explanation of Important Matters and the overhaul of the sales manual.
- The Compliance Advisory Committee evaluated these measures as effective for the formulation of guidelines for the sale of residential housing. It was decided that improvements would be made to the details continuously to meet changing social attitudes.

(2) The OAP Incident

- A report was made on the status of the internal company investigation into the OAP Incident.
- A request was made for a report on selected problems from the investigation to be compiled and provided by the next committee meeting.

(3) Revising the Code of Conduct

- The Executive Committee reported on reform proposals and decided to review them before the next meeting of the Compliance Advisory Committee based on recommendations made by committee members.

6th Meeting: Compliance Advisory Committee

1. Date and time

November 18, 2005 (Fri) 14:00 - 17:00

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors" Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]



4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) Revising the Code of Conduct

- The final draft was put together based on recommendations from the company and the Compliance Advisory Committee. It was decided that a report would be made on the topic at the 7th Compliance Advisory Committee meeting following a formal decision by the CSR Committee, the company's decision-making body.

(2) Report on Findings

- Committee members also pointed out the following and made the following recommendations regarding the contents of the report on their findings.

Create a timeline of the OAP Incident, point out problems and confirm strategies to prevent a recurrence.

For the explanation of important matters, introduce initiatives that are already under way as examples of concrete strategies that take client viewpoints into account.

Specify how the department responsible for compliance will be involved.

Create a system for the proper communication of items to be handed over in long-term projects.

- It was decided that the details of the courses of action listed above would be determined by the Compliance Advisory Committee at their 7th meeting and that Professor Taka, the Committee Chairman, would put together the report of findings. It was also determined that a final report on findings would be compiled once the draft had been discussed with each committee member.

7th Meeting: Compliance Advisory Committee

1. Date and time

December 22, 2005 (Thu) 15:00 - 18:00

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]



4. Deliberations (summary)

1. Mitsubishi Estate's internal audit structure was explained.
2. The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) Revising the Code of Conduct

- A report was made on the formal decision taken by the CSR Committee, the company's decision-making body, and an explanation was given of how the information would be communicated throughout the company going forward.

(2) Report on Findings

- Committee members discussed the contents of the report on findings prepared by Professor Taka, the Committee Chairman.
- Based on the opinions offered in this session, it was determined that the Committee Chairman would recompile the report, receive feedback from individual committee members and create a final report on findings.



Reinforcing Compliance

Preventing Corruption

The Mitsubishi Estate Group has declared that it will carry out equitable, transparent corporate activities with a primary emphasis on earning trust. The Group's Guidelines for Conduct forbid not just actions that could be construed as collusion with government officials or other actions considered illegal, but also entertainment and gift-giving that goes beyond the bounds of social convention.

When providing support related to the activities of political parties and political groups, the Group ensures it is appropriate in accordance with relevant laws and regulations such as the Political Funds Control Act and the Public Offices Election Act, as well as internal regulations such as the Mitsubishi Estate Group Guidelines for Conduct.

Moreover, in 2013, the Group established the Mitsubishi Estate Group Basic Regulations on the Prevention of Corruption to put in place a system to prevent corruption across the organization. In 2018, the Group established and published the Mitsubishi Estate Group Anti-Corruption Guidelines. The Guidelines document expectations of business partners with the aim of ensuring compliance throughout the supply chain based on the cooperation of all of the Group's business partners.

Mitsubishi Estate Group Guidelines for Conduct



Mitsubishi Estate Group Anti-Corruption Guidelines (PDF 246KB)



Consultation and Reporting

In addition to establishing a help line as a point of contact for consultation on matters relating to compliance, including corruption prevention, the Mitsubishi Estate Group has set up a help line exclusively for business partners to receive consultations and reports from business partners of Group companies.

Risk Assessment

The Group has established and operate the Rules on Corruption Risk Assessment and Corruption Due Diligence, which require that the risk of corruption be assessed for each contract and mandate due diligence in the case of counterparties with which transactions are deemed high risk.

In 2017, an external organization assessed the Mitsubishi Estate Group's corruption prevention system as a whole. The Group has been working to further strengthen the corruption prevention system by responding to the issues identified through the assessment.



Monitoring

The Risk Management & Compliance Committee monitors the operational status of the corruption prevention system each year, and the status of monitoring by the Risk Management & Compliance Committee is also reported to the Board of Directors.

Also, in order to maintain and continue the effectiveness of the corruption prevention system, the Group implements internal audits periodically to assess and review the corruption prevention management system.

Education

The Mitsubishi Estate Group conducts varied training to ensure that the rules on corruption prevention are thoroughly understood. The Group provides training on corruption prevention to officers and employees and obtains pledges on the Guidelines on the Prevention of Corruption from officers and employees. The Group also holds annual lectures on corruption prevention, particularly for departments and Group companies engaged in international business.

Violation of Laws and Regulations on Corruption

The Group was not subject to any fines or penalties for corruption in fiscal 2021.

See the following for information about violation of laws and regulations on corruption.

[ESG Data > G: Governance data > \(2\) Other > 2. Risk Management and Compliance](#)



Measures Against Organized Criminal Elements

The Mitsubishi Estate Group clearly stipulates its refusal to countenance any relationship whatsoever with organized criminal elements in its Guidelines for Conduct. Mitsubishi Estate's Legal & Compliance Department serves as a special department to take resolute measures for the Group, in cooperation with the police, in the event of any contact from criminal elements.



Augmenting the Help Line

The Mitsubishi Estate Group has established a compliance help line to receive inquiries and consultations on compliance issues. Officers and employees can consult the help line about suspected compliance violations or other issues of concern that have to be addressed, such as harassment, human relationships in the workplace, labor relations, and corruption. Group company employees, temporary employees, part-time employees, and various other part-time staff can also use the help line. In 2018 the Mitsubishi Estate Group help line consultation window was changed and unified with external organizations to make it possible for it to receive calls on weekday evenings and weekends and holidays as well. In addition, the Group set up the Global Help Line in 2022 for officers and employees attached to overseas subsidiaries, compatible with the laws and regulations in each country as well as other factors such as languages and time zones. To ensure that employees know about the help line, information is provided in the Compliance Newsletter and on posters.

There were 53 reports via the Mitsubishi Estate Group help line in fiscal 2021. About half of the 53 reports were anonymous, and about half were made under the caller's name. Depending on the substance of the consultations received, they are studied and the situation is confirmed to respond appropriately and improve the workplace environment. Of the consultations for which the response was completed in fiscal 2021, 13 cases were identified as problems in need of improvement as a result of a study and confirmation of the situation. The Group took the appropriate actions based on these findings.

See the following for the number of reports to the help line.

[ESG Data > G: Governance data > \(2\) Other > 2. Risk Management and Compliance](#)



The Mitsubishi Estate Group has also established help lines at individual Group companies and regularly collates data to confirm trends. In fiscal 2021, there were 110 consultations.

In addition, a help line exclusively for business partners has been set up to receive consultations and reports on compliance from the business partners of Group companies.

Occurrences of Serious Compliance Violations

In the event of compliance violations, the Mitsubishi Estate Group takes disciplinary action against the offender in accordance with the nature of the violation.

See the following for occurrences of serious compliance violations.

[ESG Data > G: Governance-related data > \(2\) Other > 2. Risk Management and Compliance](#)





Publishing the Compliance Guidebook

To accompany the revision of the Mitsubishi Estate Group Guidelines for Conduct in April 2018, the Compliance Guidebook was revised and published as a training tool. The Guidebook uses illustrations and a Q&A format to explain the Mitsubishi Estate Group's five most important values in an easy-to-follow format. It was distributed to all Group officers and employees and helps to increase knowledge and understanding of what compliance involves.

Providing Risk Management and Compliance Training

The Mitsubishi Estate Group uses opportunities such as training sessions for new hires and new managers to provide training to ensure risk management and compliance awareness among all executives and employees.

In particular, new hires from major Group companies participate in joint training together to learn about the Code of Conduct and basic compliance issues.

Moreover, Mitsubishi Estate provides compliance education during training for newly appointed managers and level 2 professional career hires, and also provides all employees and officers, including outside directors, with training in risk management and compliance via e-learning.

See the following for the risk and compliance e-learning attendance rate.

[ESG Data > G: Governance-related data > \(2\) Other > 2. Risk Management and Compliance](#)



Holding Risk Management and Compliance Lectures

Every year, Mitsubishi Estate holds risk management and compliance lectures for managers and executives, including those at Group companies. The lecture topic is chosen from genres related to risk management and compliance, in light of social conditions during that particular year. Mitsubishi Estate is working to strengthen risk management and compliance through this lecture initiative as well as the training described above.



Compliance Surveys

The Mitsubishi Estate Group gives compliance surveys every two years to its approximately 16,000 executive officers and employees (including temporary employees) to ascertain the extent to which they are aware of compliance issues. The Group analyzes the survey results to identify overall trends and characteristics of each business group and company, and provide feedback to each workplace to help maintain and strengthen the compliance system as well as reporting the results to management.

Including Compliance and Risk management Criteria in Personal Evaluations

In order to ensure that each and every employee has aware of compliance and risk management and acts with integrity as a member of the Mitsubishi Estate Group, we have included evaluation criteria related to compliance and risk management in our personnel evaluations. Specifically, in accordance with the The Spirit of Mitsubishi: The Three Principles and The Mitsubishi Estate Group Code of Conduct, the achievement levels are defined for each position and grade, including whether the employee is acting with an awareness of compliance, identifying and avoiding risks, and preventing recurrence. All employees are evaluated once a year on the status of achievement, and the results are taken into consideration for salary increases.

Through these personnel evaluations, each and every employee will strengthen their awareness and consciousness as a member of the Mitsubishi Estate Group, and by acting in a fair and transparent manner, we will strive to earn the trust of our many stakeholders.



Governance Risk Management

Risk Management Approach and Policies

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Risk Management Rules and has set up and operates a risk management system to manage risk in all its business activities. The Group systematically carries out risk management programs, focusing on the following two types of activities.

Risk Management Activities

01

Risk Management Activities of Respective Individual Business and Functional Groups and Group Companies

Individual Group companies and functional and business groups identify important risks based on a risk analysis and carry out activities throughout the year to reduce the risks identified. In addition, the general managers of each functional or business group ascertain the status of risk management activities of different business companies under the jurisdiction of each group and provide coordination and support.



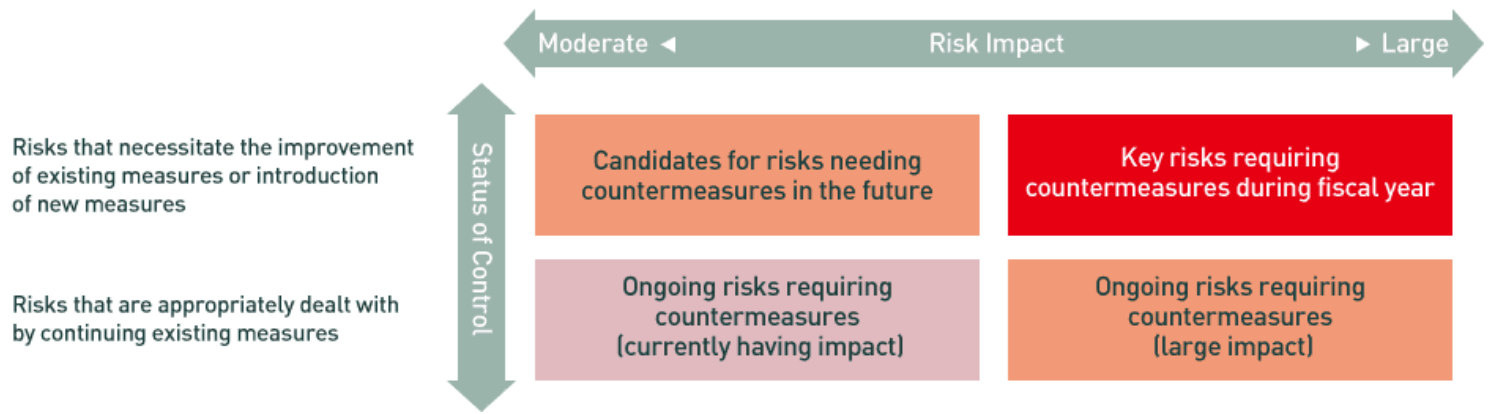
02

Identification and Monitoring of Key Risks That Need Particular Attention from the Group

To accurately grasp the risks facing the Group as a whole, and by selecting and mapping key risks that require measures to be taken, the risks that must be addressed and their level of priority are brought to light. While monitoring risks throughout the year, particularly key risks, support is provided as necessary.



Risk Map

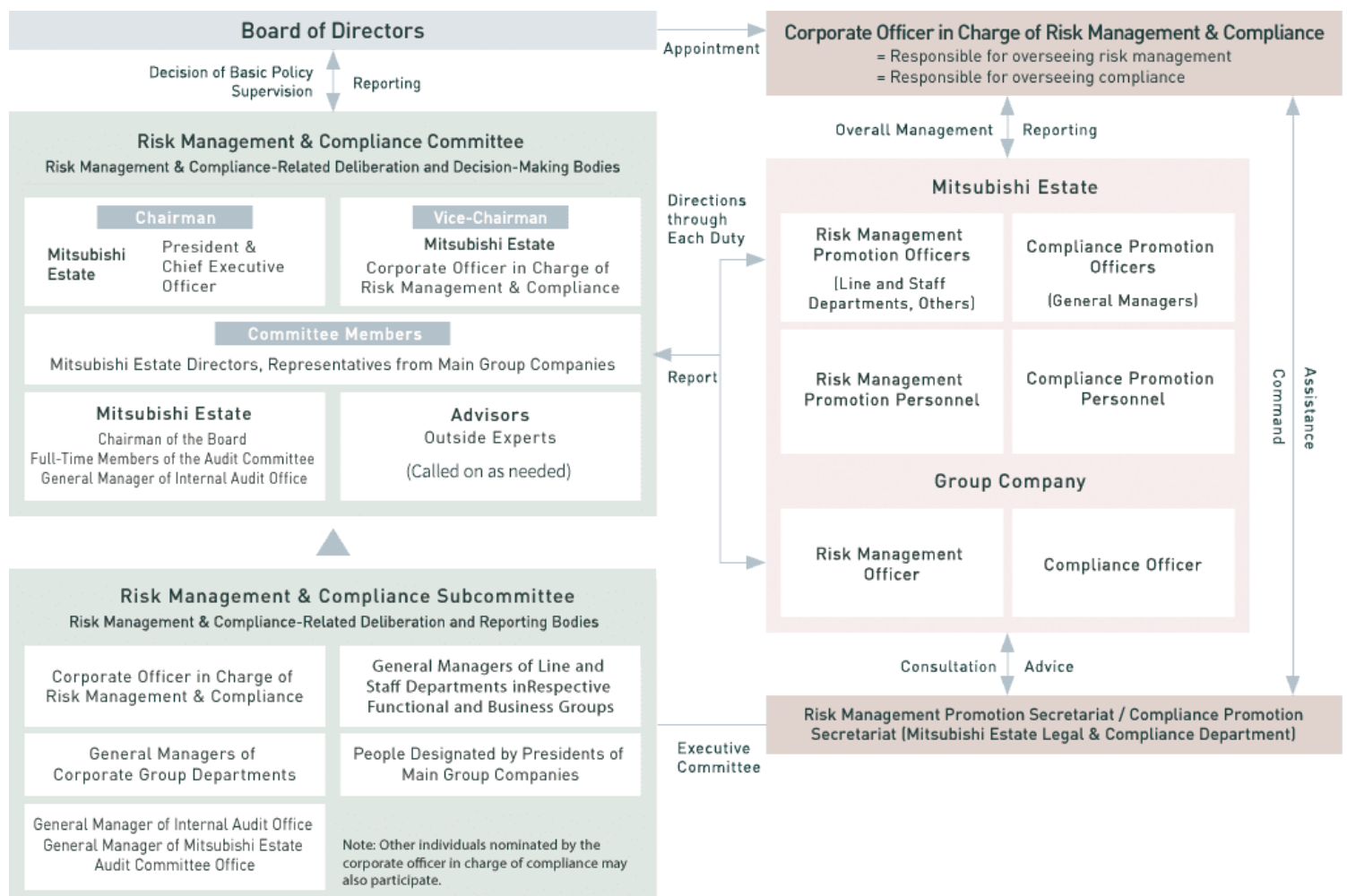




System for Promoting Risk Management

Mitsubishi Estate has established the Risk Management & Compliance Committee to oversee the Group's risk management and formed the Risk Management & Compliance Subcommittee as a working-level consulting body responsible for such matters as the collection of risk management-related information. The corporate officer in charge of risk management at Mitsubishi Estate is appointed by resolution of the Board of Directors to take responsibility for overseeing risk management, and general managers of each business groups and general managers from Group departments have been designated as risk management officers. We promote risk management activities through the Mitsubishi Estate Legal & Compliance Department, which serves as the secretariat. The Risk Management & Compliance Committee reviews the effectiveness of the risk management process as needed and its findings will be reported to the Board. We have also established and implemented action guidelines, contact and initial response systems, and business continuity planning for use in times of crisis.

Risk Management and Compliance System (As of April 2022)





Risk Management Related to Investment Projects

Among the various risks recognized by the Mitsubishi Estate Group, risks related to investment projects are based on the assessment of business viability by company-wide research functions and under investment decision rules of the Strategic Investment Office. Prior to the deliberation of important investment projects by the Executive Committee, which is chaired by the president & CEO of Mitsubishi Estate and is responsible for strategic planning for the entire Group and monitors the progress of each business toward realizing this strategy, the Strategic Investment Committee deliberates and evaluates profitability, the nature of risks and related countermeasures, and other matters. At each phase, risk assessments are also conducted from legal and financial aspects in order to grasp an overall picture of the risks.

Strategic Investment Committee

In its deliberations, in addition to assessing the economic viability of a given project using multiple indicators, the Strategic Investment Committee verifies the appropriateness of various aspect of premises, such as rents, unit selling prices, and construction costs. For risks, in particular, simulations of upside and downside scenarios are incorporated into investment decision rules. The difference between the scenario set by the responsible business group in charge of the project and the downside scenario is recognized as risk. The Strategic Investment Committee holds discussions on the acceptable limits of that risk.

Risk Evaluation Process for Individual Projects





Risk Management Initiatives

Holding Risk Management and Compliance Lectures

Mitsubishi Estate holds risk management and compliance lectures for managers and executives, including those at Group companies. The lecture topic is chosen from genres related to risk management and compliance, in light of social conditions in that particular year.

Dealing with Major Risks

Below are some examples of risks that have come to light in the Mitsubishi Estate Group through risk management activities and various business activities and countermeasures that have been taken.

	Risks	Countermeasures
Risks of Natural and Man-Made Disasters, etc.	As natural disasters, such as typhoons, have increased in frequency in recent years, social interest has grown in the way companies respond when such events occur. Amid such circumstances, in the unlikely event of shortcomings in a response deemed appropriate by the Group, safety management, reputational, and other risks could emerge, which might affect the Group's business promotion and performance.	Through its promotion of urban redevelopment projects, the Group has put in place advanced disaster-management functions and employed disaster countermeasures through area management.
Risks Related to the COVID-19 Pandemic	In FY2022, the COVID-19 pandemic had a particularly adverse impact on the Group's hotel, retail facility, and airport operation businesses. In FY2023, the pandemic may continue to adversely impact the Group's business promotion and performance, primarily in these businesses.	The Group plans to put in place a system that is resilient to fluctuations in business performance and in market conditions by accurately understanding circumstances concerning the spread of the COVID-19 pandemic, government policies, and other relevant information in a timely manner and by adjusting investment and development plans in line with business performance and market conditions.
Risks of a Deterioration in Real Estate Market Conditions	The Group's performance may be adversely affected if real estate market conditions were to deteriorate in accordance with an economic downturn caused by domestic and overseas factors. In such circumstances, the Group would need to pay particular attention to the progress of occupancy rates in the Tokyo office leasing market and to multi-use development, redevelopment, and other plans, as these entail large-scale investments over long-term development time frames.	The basic policy of the Group is to conclude relatively longterm lease contracts with customers in its office building leasing business. The resultant prospect of stable lease revenues mitigates to a certain degree the risk of sharp economic fluctuations.



	Risks	Countermeasures
Risks of Substantial Rises in Material Prices	If material prices rose in conjunction with a steep increase in raw material and crude-oil prices due to domestic and overseas factors, the Group may not necessarily be able to offset this through increased sales prices and rental fees in its real estate development business, which may have an adverse effect on performance.	The Group implements cost control measures, such as the early placement of construction material orders, and will monitor trends in material prices in a timely manner going forward while adopting a multifaceted response that encompasses adjusting investment and development plans and consulting with its partners.
Risks of Fluctuations in Exchange Rates	The Group's business operations are affected by fluctuations in exchange rates. Appreciation of the yen reduces the yen conversion amount in foreign currency-denominated transactions. In addition, a portion of the Group's assets and liabilities are converted into Japanese yen for the preparation of consolidated financial statements. Accordingly, even if there was no change in the value of said assets and liabilities in local currency terms, their value may be affected after yen conversion.	The Group strives to minimize risks of fluctuations in exchange rates through such efforts as procuring funds in the relevant foreign currency when acquiring foreign currency-denominated assets.
Risks of Increases in Interest Rates	The Bank of Japan (BOJ) has implemented a policy of quantitative and qualitative monetary easing with yield curve control in response to the credit crunch in financial markets and the slowdown in the global economy. However, a rise in interest rates due to a change in the BOJ's policy or a deterioration in the demand–supply balance for Japanese government bonds (JGBs) caused by growth in the issuance of JGBs may negatively affect the performance, financial position, or other aspects of the Group's business.	The Group hedges interest rate risk on a portion of its variable interest rate financing through interest rate swaps to convert its interest rate payments into fixed payments. The Group plans to continue procuring funds in consideration of the balance between outstanding borrowings and corporate bonds with fixed and variable interest rates.
Information Security Risks, Such as Cyberattacks, Including Leaks of Personal Information	The Group's performance could be affected in the unlikely event of external leaks of confidential information or the materialization of system risks due to unforeseen circumstances, such as information security incidents resulting from cyberattacks, computer viruses, or the like	In light of society's growing concerns over the appropriate protection of personal information and information management as well as threats such as cyber-attacks, the Mitsubishi Estate Group established rules related to information management and thoroughly reinforce its information management structure. At the same time, the Group will continue to take steps to ensure appropriate responses in accordance with laws and regulations, such as the Act on the Protection of Personal Information. Moreover, in order to raise the IT security level of the entire Group, we have positioned our DX (Digital Transformation) Promotion Department at the center of efforts to standardize the Group's IT systems and make them more secure. We have also established the Cybersecurity Promotion Office within the DX Promotion Department and are increasing the number of our cybersecurity specialists as well, enhancing collaboration with external security companies, thereby providing Groupwide support.



Emerging Risks for the Mitsubishi Estate Group's Business

Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
Soaring material costs and supply shortages due to the situation in Ukraine	The Mitsubishi Estate Group operates a real estate business that includes office buildings, condominiums, and commercial complexes. The main business model is to plan and design real estate projects within the Group, order construction from construction companies, and then lease properties to tenants. Construction companies procure construction materials that meet the Group's design specifications, and this includes procurement of timber for use in construction. Timber is mainly used for concrete formwork panels and building interiors, and some of the timber procured is produced in Russia. In light of the situation in Ukraine, one of the risks is a shortage of timber due to unreliable imports of timber from Russia. The Group has also been using certified timber from Russia for some of the concrete formwork panels with the target of using 100% certified or domestically-produced timber.	Unreliable timber imports from Russia could lead to the following impacts on business [Impact on costs and construction period] Due in part to the impact of the wood supply shock, it is now very difficult to find alternative timber, and additional time and expense is involved in the search for alternatives. Furthermore, if the Group opts to use certified timber, as stipulated in the Group's sustainability goals, the difficulty in obtaining timber will increase further. There could also be an impact on the construction period, and in that case, construction costs will increase. In addition, the cost of alternative timber itself is expected to increase.	The Group established MEC Industry Co. Ltd. as a Group company that handles everything from procurement to sale of Japan-grown timber in an effort to promote its own procurement of timber and its incorporation into products. The Mitsubishi Estate Group considers Japan-grown timber to be low risk in terms of illegal logging and human rights and believes that it meets the Group's standards.
Human rights due diligence legislation	As human rights due diligence legislation is being implemented in Europe and elsewhere, the standards required are becoming more sophisticated. Since the Mitsubishi Estate Group does business in many countries, it believes it is necessary to comply with the legal systems in the countries where it operates. Even in countries where legal systems are not yet in place, it is also necessary to make preparations in advance of such legal systems. In addition, due to the nature of the real estate business, some of the Group's business partners, for example the construction industry, are labor-intensive and thus high risk in terms of human rights.	The most significant impact of a delay in complying with legal systems related to human rights due diligence is expected to be a loss of trust from stakeholders. In particular, it could lead to a loss of trust from investors, which could lead to divestment, or a loss of trust from customers (tenants, condominium purchasers, etc.), which could, in turn, impact sales, etc.	In fiscal 2021, with the aim of further strengthening supply chain management, the Mitsubishi Estate Group revised its existing CSR Procurement Guidelines and established the Supplier Code of Conduct to set forth the matters it expects compliance from suppliers. The Group identifies high-risk suppliers in terms of human rights and the environment and conducts SAQ (self-assessment questionnaire) whether they comply with the contents of the Supplier Code of Conduct. Depending on the results of the SAQ, the Group requests improvements or conducts on-site audit.



Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
Information security risk	The risk posed by cyberattacks is increasing year by year, and we consider it to be one of the management risks, with concerns including information leaks, unauthorized access to, and damage from ransomware attacks on information systems and data related to personal information, etc. of tenants of office buildings and commercial facilities and purchasers of condominiums.	The Mitsubishi Estate Group holds a vast amount of customer and business partner data, including personal information related to the tenants of office buildings and commercial facilities and the purchasers of condominiums, as well as information on orders placed with construction companies for new construction. The stable operation of information systems is also necessary for providing services outside of the Group and the execution of internal operations. Information leaks or threats such as ransomware attacks and unauthorized access lead to a decline in corporate credibility and hinder business activities, which could in turn impact business profitability.	<p>In light of society's growing concerns over appropriate information management, response to cyberattacks, and protection of personal information, the Mitsubishi Estate Group manages information by establishing rules related to information management (rules on information management, information systems, cybersecurity, and personal information) and updates its rules related to information management as required in response to changes in the environment and technology. The Group also strives to ensure strict information management through continuous monitoring and audits.</p> <p>Moreover, in order to raise the IT security level of the entire Group, we have established information management systems to implement measures such as the following:</p> <ul style="list-style-type: none"> ● We have strengthened Groupwide cybersecurity by appointing senior executive officer Ikuo Ono as the Chief Information Security Officer (CISO) of the Mitsubishi Estate Group and establishing the Cybersecurity Promotion Office in the DX Promotion Department ● The new Cybersecurity Promotion Office established in fiscal 2022 is composed mainly of specialists with knowledge about cybersecurity as an organization which will strengthen cybersecurity both in terms of management and technology. ● We implement security training, targeted attack email drills, and role-specific security training for all Mitsubishi Estate Group employees to enhance security response capabilities. ● We maintain and enhance the security of our information systems by introducing and operating security measures and conducting periodic security assessments to correct vulnerabilities and review countermeasures. ● The Mitsubishi Estate Group's CSIRT (Computer Security Incident Response Team) system is based on the Cybersecurity Promotion Office. In the event of large-scale damage, an emergency task force will be established to respond to the incident. ● We have formulated a BCP response plan, established an information system for BCP response, and hold BCP response drills at least once a year. ● We utilize cybersecurity knowledge gained from sharing information on the latest response cases through participation in various external organizations' activities. ● We are continuously making improvements by identifying problems and issues through regular security assessment by external third parties and responding to any findings.



Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
<p>Business continuity risk due to natural disasters, etc.</p>	<p>Climate change-driven natural disasters, which include flooding due to abnormal weather and sudden heavy rain, typhoons, and hurricanes, have become more severe in recent years. It is thought this could impact on the business continuity of the offices and commercial facilities operated by the Company, and this has been identified as an emerging risk.</p>	<p>Abnormal weather, such as sudden heavy rain, thought to be due to climate change, could damage the offices and commercial facilities operated by the Company. If the Company is forced to suspend operations of its facilities due to this damage, the number of people using urban areas and facilities will decrease, and it will be harder to lease facilities to tenants, which could make it difficult to continue the business. In addition, if it is difficult to continue the business, it is also assumed there could be an impact on rental profits.</p>	<p>The Mitsubishi Estate Group has installed advanced disaster prevention functions in the urban areas it develops and the buildings it operates as well as taking disaster response measures through area management.</p> <p>For example, in order to minimize the risk of flooding in office buildings it constructs, the Group takes all possible flood control measures including installing waterstopping equipment such as tide plates and watertight doors, and locating stockpile stores and key sites (e.g. power receiving and transforming equipment and disaster prevention centers) on above-ground floors. The Group has also been devising ways to develop highly disaster-resilient urban areas, such as installing systems in which electricity, water, and ventilation all function independently even when infrastructure supplies are cut in a disaster.</p> <p>The Mitsubishi Estate Group has established the Mitsubishi Estate Group Business Continuity Plan Guidelines, the Mitsubishi Estate Business Continuity Plan Documents, and the Mitsubishi Estate Group Guide to Preparing a Business Continuity Plan Document. By strengthening the bonds between the Business Continuity Plan and the Framework of Anti-Disaster Measures, we are ready to ensure both the safety of customers and Mitsubishi Estate Group employees as well as the business continuity of the Mitsubishi Estate Group in an emergency.</p> <p>Mitsubishi Estate Co., Ltd. has been implementing a variety of disaster prevention drill initiatives.</p> <ul style="list-style-type: none"> ● Every year, Mitsubishi Estate holds its comprehensive disaster prevention drill with the participation of all its officers and employees as well as Group companies and related parties to minimize damage and ensure a rapid response in the event of a disaster. ● As a disaster prevention initiative in the Otemachi-Marunouchi-Yurakucho area, Mitsubishi Estate conducted verification testing of Saigai Dashboard 4.0 in collaboration with Chiyoda-ku, railway companies, bus operators, building operators, and others. This has realized contactless reception in facilities for stranded commuters using QR codes and visualization of congestion around facilities. ● The company held an initial response drill for head office employees based on the action plan for after an automatic announcement by the disaster system, in which a fifth generation mobile communications system (5G) was used for the first time in Japan. With cooperation from SoftBank Corp., Mitsubishi Estate installed Odekake 5G, a portable 5G facility that can be used locally for 5G communications, and verified a system for monitoring evacuation centers in real time using AI video analysis software. The information that was visualized in real time included the number of evacuees and rescue workers in evacuation centers, status of crowding in evacuation centers, results of rescue worker identification using facial recognition, and results of detection of people in need of being rescued.



Business Continuity Plan Initiative and Review

The Mitsubishi Estate Group has drafted a Business Continuity Plan (BCP) to prevent crucial operations from being interrupted if a disaster or accident occurs – and, if they are suspended, to enable their speedy resumption – and we established "Mitsubishi Estate Group Business Continuity Plan Guidelines" in October 2006.

In December 2012, we established "Mitsubishi Estate Business Continuity Plan Documents" and the "Mitsubishi Estate Group Guide to Preparing a Business Continuity Plan Document" in light of the Great East Japan Earthquake. By strengthening the bonds between the Business Continuity Plan and the Framework of Anti-Disaster Measures, we are ready to ensure both the safety of customers and Mitsubishi Estate Group employees as well as the business continuity of the Mitsubishi Estate Group in an emergency.

Furthermore, in light of changes in the social and business environment, we strive to continually upgrade the content of the Business Continuity Plan through PDCA cycles and will implement further improvements going forward in order to fulfill our social responsibility.



Governance Tax Transparency

Policy on Tax Transparency

The Mitsubishi Estate Group states that it will engage in fair and transparent corporate activities in the Mitsubishi Estate Group Code of Conduct and the Mitsubishi Estate Group Guidelines for Conduct, and considers it is important to act in compliance with corporate ethics and internal rules, beyond merely complying with legal requirements. Based on this concept, the Mitsubishi Estate Group complies with the matters listed below and engages in appropriate, fair, and highly transparent tax practices.

1. Compliance with tax laws and conformity with international standards

Each Mitsubishi Estate Group company complies with laws, regulations, and rules related to tax in each country where they engage in business activities as well as implementing tax practices in conformity with standards and guidelines published by international organizations (e.g., OECD, EU, the United Nations). Each Group company also ensures that it will file and pay taxes by the deadline stipulated in each country.

2. Sound relationships with tax authorities

The Mitsubishi Estate Group maintains sound and normal relationships with tax authorities and does not provide unjustified benefits.

3. Implementation of appropriate tax treatments

The Mitsubishi Estate Group responds appropriately to changes in the tax system and tax administration in each country to ensure appropriate tax treatments and strives to ensure that an appropriate amount of tax is paid while also considering the use of tax incentives within the scope of normal business activities.

4. Prevention of unfair tax avoidance measures

The Mitsubishi Estate Group does not engage in unfair tax avoidance measures, such as use of tax havens for the purpose of tax avoidance.

5. Transfer pricing

In its transactions with foreign parties, the Mitsubishi Estate Group takes into consideration the arm's length price (ALP) and appropriately distributes profits based on the functions, assets, and risks of each subsidiary in each country.



Governance System

In order to ensure appropriate and fair financial reporting in accordance with the policy set out above, the Mitsubishi Estate Group has formulated and operates the Mitsubishi Estate Group Basic Guidelines on Internal Control Regarding Financial Reporting (Basic Rules) based on the Basic Policy of Establishment of the Internal Control System (resolution of the Board of Directors). These guidelines stipulate the following roles and responsibilities for financial reporting.

Roles and responsibilities stipulated in the guidelines

- Mitsubishi Estate Co., Ltd. Representative Corporate Executive Officer, President & Chief Executive Officer ("the President")
 - Establishes and operates internal control system in order to ensure reliability of financial reporting at the Mitsubishi Estate Group.
- Mitsubishi Estate Co., Ltd. Board of Directors
 - Supervises establishment and operation of internal control system related to Mitsubishi Estate Group financial reporting by the President.
- Mitsubishi Estate Co., Ltd. Audit Committee
 - Monitors and verifies the establishment and operation of internal control system related to Mitsubishi Estate Group financial reporting by the Board of Directors and the President.
- Mitsubishi Estate Co., Ltd. Internal Audit Office
 - Evaluates status of establishment and operation of internal control system related to Mitsubishi Estate Group financial reporting and promotes improvements as necessary.

For Audit Committee audits, the Committee receives reports on the audit plan, audit implementation system, and audit results from the Independent Auditor and the Internal Audit Office, and reports on the status of settlement of accounts at the end of quarterly and annual financial periods from the Finance & Accounting Department. The Audit Committee reports the results of Audit Committee audits to the Board of Directors.

In addition, the evaluations of the status of establishment and operation of the internal control system related to Mitsubishi Estate Group financial accounting conducted by the Internal Audit Office assess the effectiveness of the internal control system related to financial reporting with a focus on the tax calculation processes and other business processes that result in highly significant account items. This is reported to the Board of Directors by the President.

The substance of financial reporting (the consolidated financial statements) is audited by the Independent Auditor, and audit reports are received as follows.

[Consolidated Financial Statements \(PDF 276KB\)](#)





Disclosure of Tax Payments

Click here for the Mitsubishi Estate Group's tax payment record.

[ESG Data > G: Governance-related data > \(2\) Other](#)





SUSTAINABILITY ACTIVITIES (ESG)

ESG Data



E: Environmental data

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ESG Data

E: Environmental data

E: Environmental data

S: Social data

G: Governance data

E: Environmental data

(1) KPI

1. Climate Change (GHG Emissions, Energy Use)

	Targets&Taget year		Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Unit	Boundary
GHG emissions reduction targets* ¹ * Revision in March 2022 (Targets approved by the SBT initiative in June 2022)	Reduce Scope 1 + 2 by 70% or more and Scope 3 by 50% or more by fiscal 2030 compared to fiscal 2019 emissions Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions*.)	total	3,336,472	3,588,345	4,038,583	3,533,468	2,534,820	t-CO ₂	100% of Mitsubishi Estate Group*
		Scope1+2	-	-	476,363	413,153	312,198	t-CO ₂	
		Scope3	-	-	3,562,220	3,120,314	2,222,622	t-CO ₂	
Renewable Energy Rate * Revision in February 2022	Achieve 100% group-wide by fiscal 2025		-	1.3%	1.1%	3.1%	30.8%		100% of Mitsubishi Estate Group*
Energy consumption* ⁵	-		-	1,138,078	1,242,153	1,024,802	518,515	MWh	
- Renewable energy consumption	-		-	14,685	14,005	31,804	159,663	MWh	
- Renewable electricity usage	-		-	12,585	11,731	29,242	158,525	MWh	
- Renewable Energy Certificate usage	-		-	2,100	2,274	2,562	1,138	MWh	



- *1 As a general rule, target group companies are selected based on actual control approach. Properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.
(However, under GRESB, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are 20% and over are included.)
- *2 Emissions that remain unabated within the value chain in the target year are termed "residual emissions." The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.
- *3 Since the above numerical targets were revised upward in March 2022, the figures for the base year, FY2019 onward, show the breakdown of Scope 1+2 and Scope 3, respectively.
- *4 For FY2019 actual emissions, the figures for Scope 2 and Scope 3 in total emissions have been partially changed due to the transfer of tenant emissions from Scope 2 to Scope 3 in leased real estate when the numerical targets were revised.
- *5 For RE100, tenant use is excluded from electricity consumption from FY2021.

2. Resources (Waste, Water, Forestry Resources, etc.)

	Targets	Target year	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Unit	Boundary
Waste generated per unit of floor space	20% reduction from FY2019 FY2019 actual: 7.1kg/m ²	2030	11.1	7.1	5.0	5.1	kg/m ²	100% of Mitsubishi Estate Group* ¹
Waste generated	-	-	74,595	54,114	39,221	39,420	t	
- Japan	-	-	74,595	52,081	38,750	38,549	t	
- Overseas	-	-	-	2,033	471	871	t	
Area floor	-	-	6,750,610	7,591,269	7,807,417	7,760,237	m ²	
Recycling rate	90.0%	2030	45.5%	55.2%	60.5%	58.4%		100% of Mitsubishi Estate Group* ¹
Waste recycled	-	-	33,923	29,878	23,742	23,023	t	
- Japan	-	-	33,923	29,351	23,636	22,808	t	
- Overseas	-	-	-	527	106	216	t	
Recycled water usage rate	100%	Fiscal 2030 ongoing goal	100%	100%	100%	100%		Newly constructed* ² , large-scale* ³ office buildings and commercial facilities in Japan
Japan-grown timber usage rate	100%	Fiscal 2030 ongoing goal	-	71.8%	69.3%	71.2%		Mitsubishi Estate Home (structural materials and floor materials for detached housing)

*1 Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.

*2 Completed in 2002 onward

*3 Floor area: 100,000m² or more

→ [Check ESG data on the website](#)



(2) Other

Basic Data on Target Properties

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Total floor area (m ²)	6,761,510	6,750,610	7,591,269	7,807,417	7,760,237
Number of target properties	90	97	112	115	120

→ [Check ESG date on the website](#)

Independent assurance has been obtained for fiscal 2019 - 2021 results in (1) through (3) below.

[Independent Third-Party Assurance Report](#)





1. Climate Change (GHG Reduction and Energy Management)

GHG Emissions

	Fiscal 2017				Fiscal 2018				Fiscal 2019			
	Emissions (t-CO2)	Per unit (t-CO2/m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown	Emissions (t-CO2)	Per unit (t-CO2/m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown	Emissions (t-CO2)	Per unit (t-CO2/m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown
Total GHG emissions (Scope 1+Scope 2+Scope 3)	3,336,472	0.4935	100.0%	-	3,588,345	0.5316	100.0%	-	4,038,583	0.5325	100.0%	-
Scope 1	120,634	0.0178	3.6%	-	108,289	0.0160	3.0%	-	118,351	0.0156	2.9%	-
- CO2	119,989	-	3.6%	-	107,011	-	3.0%	-	117,264	-	2.9%	-
- CH4	0	-	0.0%	-	0	-	0.0%	-	0	-	0.0%	-
- N2O	0	-	0.0%	-	0	-	0.0%	-	0	-	0.0%	-
- HFCs	645	-	0.0%	-	1,278	-	0.0%	-	1,087	-	0.0%	-
- PFCs	0	-	0.0%	-	0	-	0.0%	-	0	-	0.0%	-
- SF6	0	-	0.0%	-	0	-	0.0%	-	0	-	0.0%	-
- Other	0	-	0.0%	-	0	-	0.0%	-	0	-	0.0%	-
Scope 2	575,262	0.0851	17.2%	-	564,033	0.0836	15.7%	-	358,012	0.0472	8.9%	-
Scope 1 + Scope 2	695,896	0.1029	20.9%	-	672,322	0.0996	18.7%	-	476,363	0.0628	11.8%	-
Scope 3	2,640,576	-	79.1%	100.0%	2,916,023	-	81.3%	100.0%	3,562,220	-	88.2%	100.0%
- Category 1: Purchased goods and services	74,329	-	2.2%	2.8%	77,035	-	2.1%	2.6%	87,211	-	2.2%	2.4%
- Category 2: Capital goods	990,329	-	29.7%	37.5%	975,004	-	27.2%	33.4%	1,134,531	-	28.1%	31.8%
- Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	84,675	-	2.5%	3.2%	77,488	-	2.2%	2.7%	132,683	-	3.3%	3.7%
- Category 5: Waste generated in operations	45,571	-	1.4%	1.7%	19,401	-	0.5%	0.7%	21,762	-	0.5%	0.6%
- Category 6: Business travel	1,151	-	0.0%	0.0%	1,227	-	0.0%	0.0%	1,254	-	0.0%	0.0%
- Category 7: Employee commuting	1,768	-	0.1%	0.1%	1,885	-	0.1%	0.1%	2,848	-	0.1%	0.1%
- Category 11: Use of sold products	1,398,021	-	41.9%	52.9%	1,714,888	-	47.8%	58.8%	1,905,897	-	47.2%	53.5%
- Category 12: End-of-life treatment of sold products	44,732	-	1.3%	1.7%	49,095	-	1.4%	1.7%	49,214	-	1.2%	1.4%
- Category 13: Downstream Leased Assets	-	-	-	-	-	-	-	-	226,820	-	5.6%	6.4%

→ Check ESG date on the website



	Fiscal 2020					Fiscal 2021				
	Emissions (t-CO2)	Per unit (t-CO2/m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown	Change from 2019 (base year)	Emissions (t-CO2)	Per unit (t-CO2/m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown	Change from 2019 (base year)
Total GHG emissions (Scope 1+Scope 2+Scope 3)	3,533,468	0.4526	100.0%	-	▲12.5%	2,534,820	0.3247	100.0%	-	▲37.2%
Scope 1	116,914	0.0150	3.3%	-	▲3.1%	120,713	0.0156	4.8%	-	+2.0%
- CO2	114,729	-	3.2%	-	-	116,438	-	4.6%	-	▲0.7%
- CH4	0	-	0.0%	-	-	0	-	0.0%	-	-
- N2O	0	-	0.0%	-	-	0	-	0.0%	-	-
- HFCs	2,185	-	0.1%	-	-	4,275	-	0.2%	-	+293.3%
- PFCs	0	-	0.0%	-	-	0	-	0.0%	-	-
- SF6	0	-	0.0%	-	-	0	-	0.0%	-	-
- Other	0	-	0.0%	-	-	0	-	0.0%	-	-
Scope 2	296,239	0.0379	8.4%	-	▲17.3%	191,485	0.0247	7.6%	-	▲46.5%
Scope 1 + Scope 2	413,153	0.0529	11.7%	-	▲13.3%	312,198	0.0402	12.3%	-	▲34.5%
Scope 3	3,120,314	-	88.3%	100.0%	▲12.4%	2,222,622	-	87.7%	100.0%	▲37.6%
- Category 1: Purchased goods and services	55,037	-	1.6%	1.8%	▲36.9%	1,015,093	-	40.0%	45.7%	+1063.9%
- Category 2: Capital goods	1,266,641	-	35.8%	40.6%	+11.6%	0	-	0.0%	0.0%	▲100.0%
- Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	117,993	-	3.3%	3.8%	▲11.1%	83,354	-	3.3%	3.8%	▲37.2%
- Category 5: Waste generated in operations	15,129	-	0.4%	0.5%	▲30.5%	25,472	-	1.0%	1.1%	+17.1%
- Category 6: Business travel	1,301	-	0.0%	0.0%	+3.8%	1,330	-	0.1%	0.1%	+6.1%
- Category 7: Employee commuting	2,936	-	0.1%	0.1%	+3.1%	2,939	-	0.1%	0.1%	+3.2%
- Category 11: Use of sold products	1,420,533	-	40.2%	45.5%	▲25.5%	918,548	-	36.2%	41.3%	▲51.8%
- Category 12: End-of-life treatment of sold products	48,289	-	1.4%	1.5%	▲1.9%	34,255	-	1.4%	1.5%	▲30.4%
- Category 13: Downstream Leased Assets	192,456	-	5.4%	6.2%	▲15.2%	141,631	-	5.6%	6.4%	▲37.6%

* Target group companies are based on actual control standard. As a general rule, facilities that rate of Mitsubishi Estate Group's ownership or Trust beneficiary right is less than 50% don't subject to Boundary

* Categories 4/8/9/10/14/15 are excluded from the scope of calculation for reasons including (1) there is no emission source, (2) they are included in Scope 1 + 2 or other category, or (3) their contribution within the entirety is negligible.

* In accordance with SBTi's guidance, the destination of emissions associated with capital expenditures was changed from Category 2 to Category 1 beginning with FY2021 results.

→ [Check ESG date on the website](#)



Breakdown of Energy Consumption

	Fiscal 2018		Fiscal 2019		Fiscal 2020		Fiscal 2021	
	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value
Scope 1								
- Gas	585,394	2,107,418	628,481	2,267,417	615,532	2,215,915	632,793	2,278,055
- Heavy Oil	7,470	26,891	6,645	23,921	6,021	21,675	6,468	23,286
- Other Oil	4	13	730	1,560	2,026	7,292	851	3,064
Scope 2								
- Electricity	-	-	1,242,153	-	1,024,802	-	500,633	-
- Steam	-	-	111,208	400,350	80,357	289,286	78,195	281,504
- Steam Water	-	-	11,498	41,394	13,629	49,064	15,224	54,805
- Cold Water	-	-	105,480	379,727	104,312	375,525	100,217	360,782

* Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

GHG Emissions, Energy Use and Other Data by Type of Property

	Fiscal 2018						Fiscal 2019					
	Floor area (1,000m ²)	GHG emissions (t-CO ₂)	Per unit (t-CO ₂ /m ²)	Energy use (GJ)	Per unit (GJ/m ²)	Number of target properties	Floor area (1,000m ²)	GHG emissions (t-CO ₂)	Per unit (t-CO ₂ /m ²)	Energy use (GJ)	Per unit (GJ/m ²)	Number of target properties
Office buildings	5,051	485,312	0.1	5,564,242	1.1	51	4,596	356,063	0.08	3,255,690	0.71	51
Commercial facilities	1,024	90,812	0.09	1,443,189	1.41	20	1,727	154,535	0.09	1,551,447	0.90	29
Hotels	149	13,043	0.09	251,669	1.69	11	212	36,722	0.17	328,227	1.55	12

	Fiscal 2020						Fiscal 2021					
	Floor area (1,000m ²)	GHG emissions (t-CO ₂)	Per unit (t-CO ₂ /m ²)	Energy use (GJ)	Per unit (GJ/m ²)	Number of target properties	Floor area (1,000m ²)	GHG emissions (t-CO ₂)	Per unit (t-CO ₂ /m ²)	Energy use (GJ)	Per unit (GJ/m ²)	Number of target properties
Office buildings	4,667	307,934	0.07	2,960,906	0.63	53	4,488	158,273	0.04	2,547,965	0.57	54
Commercial facilities	1,831	137,402	0.08	1,412,010	0.77	29	864	38,034	0.04	536,637	0.62	32
Hotels	336	15,830	0.05	176,634	0.53	14	624	64,399	0.10	1,008,236	1.61	14

*1 Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*2 Other uses not included in calculations for table above

→ [Check ESG date on the website](#)



2. Waste and Resources

Waste Generated, Recycled, and Recycling Rate by Type of Waste

	Fiscal 2018			Fiscal 2019			Fiscal 2020			Fiscal 2021		
	Waste generated (t)	Recycled volume (t)	Recycling rate	Waste generated (t)	Recycled volume (t)	Recycling rate	Waste generated (t)	Recycled volume (t)	Recycling rate	Waste generated (t)	Recycled volume (t)	Recycling rate
Copier and office automation paper	742	649	87.4%	678	678	100%	509	509	100%	493	493	100%
Confidential documents (bulk processed documents)	992	659	66.4%	113	113	100%	166	166	100%	182	182	100%
Magazines, pamphlets, and colored paper	2,437	2,253	92.4%	2,470	2,470	100%	1,756	1,756	100%	1,482	1,482	100%
Newspapers and flyers inserted in newspapers	1,191	1,076	90.4%	695	695	100%	526	526	100%	412	412	100%
Corrugated cardboard	10,255	9,419	91.8%	11,096	11,096	100%	8,361	8,361	100%	8,613	8,613	100%
Miscellaneous paper	3,143	2,328	74.1%	2,015	2,015	100%	1,843	1,843	100%	1,596	1,596	100%
Other combustible waste (paper waste and miscellaneous waste)	15,454	1,094	7.1%	13,342	675	5.1%	8,768	680	7.8%	8,902	674	7.6%
Kitchen waste (tea leaves, leftover food, cigarette butts, etc.)	20,070	3,855	19.2%	9,716	3,276	33.7%	5,472	1,892	34.6%	6,440	1,960	30.4%
Trees, grass, and fibers, etc.	1,253	69	5.5%	1,016	43	4.3%	633	330	52.0%	962	391	40.7%
Jars	2,462	2,319	94.2%	1,282	1,282	100%	655	655	100%	680	680	100%
Cans	3,142	3,060	97.4%	847	847	100%	517	517	100%	508	508	100%
Plastic bottles	3,122	2,553	81.8%	1,497	1,497	100%	858	858	100%	846	846	100%
Cooking oil	249	237	95.3%	224	224	100%	209	209	100%	185	185	100%
Lunch box packaging	1,203	662	55.0%	1,402	775	55.3%	767	472	61.5%	956	615	64.3%
Other (waste plastic)	6,191	2,441	39.4%	4,006	2,420	60.4%	3,093	1,782	57.6%	2,949	2,042	69.3%
Other (fluorescent lights)	68	35	51.1%	58	58	100%	1,413	17	1.2%	524	15	2.8%
Other (industrial waste)	818	554	67.7%	1,478	1,093	74.0%	2,741	2,741	100%	2,083	2,083	100%
Other (includes waste that cannot be sorted into the above)	1,804	661	36.7%	149	97	64.8%	461	322	69.9%	736	30	4.1%
Japan total	74,595	33,923	45.5%	52,081	29,351	56.4%	38,750	23,636	61.0%	38,549	22,808	59.2%
Overseas total	-	-	-	2,033	527	25.9%	471	106	22.5%	871	216	24.8%
Grand Total	74,595	33,923	45.5%	54,114	29,878	55.2%	39,221	23,742	60.5%	39,420	23,023	58.4%

* Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

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Waste Generated by Type of Property

	Fiscal 2018				Fiscal 2019			
	Floor area (1,000m ²)	Waste generated (t)	Per unit (kg/m ²)	Number of target properties	Floor area (1,000m ²)	Waste generated (t)	Per unit (kg/m ²)	Number of target properties
Office buildings	5,051	36,780	7.3	47	5,244	35,611	7.7	54
Commercial facilities	1,024	7,218	7.0	20	1,059	15,045	8.7	20
Hotels	149	25,520	171.2	11	212	1,809	8.5	12

	Fiscal 2020				Fiscal 2021			
	Floor area (1,000m ²)	Waste generated (t)	Per unit (kg/m ²)	Number of target properties	Floor area (1,000m ²)	Waste generated (t)	Per unit (kg/m ²)	Number of target properties
Office buildings	4,667	21,424	4.6	59	4,488	23,853	5.3	54
Commercial facilities	1,831	15,907	8.7	25	864	16,357	18.9	32
Hotels	336	1,329	4.0	15	624	1,303	2.1	14

*1 Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*2 Other uses not included in calculations for table above

Hazardous Substance Emissions

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Nox (t)	3.1	4.3	3.3	3.1	Mitsubishi Estate
Sox (t)	0.0	0.0	0.0	0.0	Mitsubishi Estate
PCBs (t) ^{*1}	3.2	116.2	28.9	61.5	Mitsubishi Estate
Asbestos (t) ^{*2}	104.3	557.1	94.9	146.7	Mitsubishi Estate

*1 PCB waste is completely detoxified and properly treated so that it does not cause environmental impact using treatment facilities and methods stipulated by the government based on the Act on Special Measures Concerning Promotion of Proper Treatment of PCB Wastes established by the Ministry of the Environment.

*2 Emission of construction-related waste containing asbestos. Asbestos is properly processed in a form not involving any environmental impact in accordance with the treatment method stipulated by the government based on the Waste Management and Public Cleansing Act established by the Ministry of the Environment.

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3. Water

Water Usage

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Water withdrawal (m ³)	5,445,722	5,777,904	6,498,558	4,988,909	5,270,464
- Fresh surface water	0	0	0	0	0
- Brackish surface water/seawater	0	0	0	0	0
- Groundwater - renewable	-	-	132,387	397,248	478,111
- Groundwater - non renewable	0	0	0	0	0
- Produced water/entrained water	0	0	0	0	0
- Third party sources (municipal potable water)	5,445,722	5,777,904	6,366,171	4,591,661	4,792,354
Water discharge (m ³)	2,683,751 ^{※2}	5,658,971	5,721,372	4,082,675	4,381,218
- Fresh surface water	0	0	0	0	0
- Brackish surface water/seawater	0	0	0	0	0
- Groundwater	0	0	0	0	0
- Third party destinations	2,683,751	5,658,971	5,721,372	4,082,675	4,381,218
Water consumption (m ³)	2,761,971	118,933	777,186	906,234	889,246
Recycled water (m ³)	816,827	1,101,472	1,335,830	797,403	793,728

*1 Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*2 As water discharge data was not available at certain facilities, there are discrepancies with the results for fiscal 2018 and fiscal 2019.

Water Usage by Type of Property

	Fiscal 2018						Fiscal 2019					
	Floor area (1,000m ²)	Water withdrawal (m ³)	Per unit (m ³ /m ²)	Water discharge (m ³)	Per unit (m ³ /m ²)	Number of target facilities	Floor area (1,000m ²)	Water withdrawal (m ³)	Per unit (m ³ /m ²)	Water discharge (m ³)	Per unit (m ³ /m ²)	Number of target facilities
Office buildings	5,051	4,010,966	0.79	3,774,352	0.75	51	4,596	3,094,801	0.67	3,005,493	0.65	51
Commercial facilities	1,024	1,210,212	1.18	1,307,182	1.28	20	1,727	2,072,191	1.20	1,996,223	1.16	29
Hotels	149	396,446	2.66	434,601	2.92	11	212	426,987	2.01	416,383	1.96	12

	Fiscal 2020						Fiscal 2021					
	Floor area (1,000m ²)	Water withdrawal (m ³)	Per unit (m ³ /m ²)	Water discharge (m ³)	Per unit (m ³ /m ²)	Number of target facilities	Floor area (1,000m ²)	Water withdrawal (m ³)	Per unit (m ³ /m ²)	Water discharge (m ³)	Per unit (m ³ /m ²)	Number of target facilities
Office buildings	4,667	2,028,971	0.44	2,028,971	0.44	53	4,488	2,135,148	0.46	2,028,971	0.44	54
Commercial facilities	1,831	1,543,844	0.89	1,543,844	0.89	29	864	1,717,983	0.99	1,543,844	0.89	32
Hotels	336	242,543	1.14	242,543	1.14	14	624	244,628	1.15	242,543	1.14	14

*1 Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*2 Other uses not included in calculations for table above

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Results of Water Risk Analysis Using Aqueduct Water Risk Atlas, a Water Risk Analysis Tool

Overall risk ^{*1}	Number of target properties	Percentage	Water withdrawal (m ³)	Water discharge (m ³)	Water consumption (m ³)
0-1 Low	11	9.2%	457,295	6,849	474,757
1-2 Low-medium	109	90.8%	4,475,992	882,397	3,984,724
2-3 Medium-high	0	0.0%	0	0	0
3-4 High	0	0.0%	0	0	0
4-5 Extremely high	0	0.0%	0	0	0
Total	120	100%	4,933,287	889,246	4,459,481

*1 Definition on Aqueduct: overall water-related risk based on all factors, including physical water volume, water quality, regulations, and reputational risk

*2 Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*3 Analysis scope: properties covered by the SBT scope in fiscal 2021

4. Energy Saving

Rate of Facilities with Energy-Saving Equipment Adopted/Installed

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Rate of adoption for water-conserving appliances (automatic faucets, water-conserving toilets)	100%	100%	100%	100%	Newly constructed ^{*1} , large-scale ^{*2} office buildings and commercial facilities in Japan
Rate of installation of electric vehicle charging stations	92.3%	92.3%	92.3%	92.9%	Newly constructed ^{*1} , large-scale ^{*2} office buildings and commercial facilities in Japan
Rate of provision of bicycle parking areas	100%	100%	100%	100%	Newly constructed ^{*1} , large-scale ^{*2} office buildings and commercial facilities in Japan
Rate of annual adoption for soleco system	71.1%	62.1%	73.7%	76.5%	Mitsubishi Estate Group brand condominiums ^{*3} transferred in the fiscal year (excludes those with less than 40 units)
Rate of annual adoption for heat insulation functions level 4	100%	100%	100%	100%	Mitsubishi Estate Group brand condominiums ^{*3} transferred in the fiscal year
Rate of annual adoption for primary energy consumption level 4	100%	100%	100%	100%	Mitsubishi Estate Group brand condominiums ^{*3} transferred in the fiscal year

*1 Completed in 2002 onward

*2 Floor area: 100,000m² or more

*3 Only includes The Parkhouse brand properties supplied by Mitsubishi Estate Residence. Excluding units with less than 40 units.

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5. Green Building Certification

Comprehensive Certification

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
CASBEE certification (includes self-certifications and expired certifications)						Mitsubishi Estate Group* ¹
- Number of certified properties	7	8	10	12	12	
- Total floor area of certified properties (m ²)	1,029,650	1,203,704	1,247,375	1,280,499	1,385,772	
- Certification rate (ratio of total floor area to SBT-target properties)	15.4%	18.0%	16.6%	16.4%	17.9%	
Development Bank of Japan (DBJ) Green Building certification						Mitsubishi Estate Group* ¹
- Number of certified properties	8	8	9	11	11	
- Total floor area of certified properties (m ²)	951,213	951,213	962,693	1,068,980	1,174,253	
- Certification rate (ratio of total floor area to SBT-target properties)	14.2%	14.2%	12.8%	13.7%	15.1%	
LEED						Mitsubishi Estate Group* ¹
- Number of certified properties	2	2	2	2	2	
- Total floor area of certified properties (m ²)	408,665	408,665	408,665	408,665	408,665	
- Certification rate (ratio of total floor area to SBT-target properties)	6.1%	6.1%	5.4%	5.2%	5.3%	
Total						Mitsubishi Estate Group* ¹
- Number of certified properties* ²	10	11	14	18	18	
- Total floor area of certified properties* ² (m ²)	1,625,651	1,799,705	1,854,856	1,994,267	2,245,540	
- Certification rate (ratio of total floor area to SBT-target properties)	24.2%	26.9%	24.6%	25.5%	28.9%	
SBT-target floor area* ³	6,704,442	6,693,542	7,534,201	7,807,417	7,760,237	Mitsubishi Estate Group* ¹

*1 Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*2 When both CASBEE and DBJ Green Building certification have been obtained for the same property, it is counted as one property so as to calculate the total value without any duplication.

*3 Only includes properties eligible for certification

Comprehensive Energy Efficiency Certification

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Building-housing Energy-efficiency Labeling System (BELS)						Mitsubishi Estate Group*
- Number of certified properties	1	1	1	1	9	
- Total floor area of certified properties (m ²)	108,350	108,350	108,350	108,350	467,098	
- Certification rate (ratio of total floor area to SBT-target properties)	1.6%	1.6%	1.4%	1.4%	6.0%	

* Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

Biodiversity Certification

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Number of projects recognized with ABINC certification	22	15	22	26	27	Mitsubishi Estate Group

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6. Other

Environmental Accidents or Violations of Environmental Laws and Regulations

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Violations of environmental laws and regulations	0	1	0	0	0	Mitsubishi Estate Group
- Of which those related to water quality and water volume	0	0	0	0	0	Mitsubishi Estate Group
Environmental accidents	0	0	0	0	0	Mitsubishi Estate Group
Environment related fines and penalties (yen)	0	0	0	0	0	Mitsubishi Estate Group

Environmental Management System Certification

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Percentage of business sites with environmental management system certification based on ISO14001	42.2%	40.5%	1.4%	1.7%	1.5%	Mitsubishi Estate Group

Biodiversity Exposure & Assessment

	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Overall							Mitsubishi Jisho Residence
- the total number of sites used for operational activities	24	26	29	26	19	19	
- the total area used for operational activities (m ²)	39,569.68	78,413.40	75,415.25	89,428.45	52,736.15	69,303.06	
Assessment							Mitsubishi Jisho Residence
- the total number of sites conducted biodiversity impact assessments	24	26	29	26	19	19	
- the total area conducted biodiversity impact assessments (m ²)	39,569.68	78,413.40	75,415.25	89,428.45	52,736.15	69,303.06	
Exposure							Mitsubishi Jisho Residence
- the number of sites in close proximity to critical biodiversity*	0	0	0	0	0	0	
- the total area in close proximity to critical biodiversity* (m ²)	0	0	0	0	0	0	
Management plans							Mitsubishi Jisho Residence
- the total number of sites with biodiversity management plan	0	0	0	0	0	0	
- the total area with biodiversity management plan (m ²)	0	0	0	0	0	0	

* World Heritage sites

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ESG Data

S: Social data

E: Environmental data

S: Social data

G: Governance data

S: Social data

(1) KPI

Diversity & Inclusion

	Targets	Target Year	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Boundary
Paid leave utilization	Above 65%	Fiscal 2022	72.9%	68.0%	59.8%	56.9%	-	Mitsubishi Estate
Average number of used paid leave days	12 or more	Every year	13.6	12.4	10.8	10.8	-	Mitsubishi Estate
Ratio of female new graduate hires	Above 40%	Every year	31.4%	37.8%	37.8%	38.3%	35.7%	Mitsubishi Estate
Ratio of female mid-career hires	Above 40%	Every year	34.8%	63.6%	19.4%	24.4%	-	Mitsubishi Estate
Ratio of female managers	①above 20%、 ②30%、③40%	①Fiscal 2030、②Fiscal 2040、 ③Fiscal 2050	5.7%	5.5%	5.8%	6.6%	7.2%	Mitsubishi Estate*1
Rate of male employees taking childcare leave of absence*4	①above 75%、 ②100%	①Fiscal 2025、②Fiscal 2030	21.2%	24.0%	64.9%	75.5%	-	Mitsubishi Estate*2
Rate of female employees taking childcare leave of absence	100%	Fiscal 2030 ongoing goal	100%	98.7%	100.0%	98.7%	-	5 Group companies*3
Rate of reinstatement to work after maternity/childcare leave	100%	Fiscal 2030 ongoing goal	96.7%	93.8%	94.8%	100.0%	-	5 Group companies*3
Employment rate of persons with disabilities	2.30%	Fiscal 2030 ongoing goal	2.22%	2.23%	2.20%	2.30%	-	5 Group companies*3

*1 As we raised the target in FY2021, the boundary was changed to Mitsubishi Estate

*2 From FY2022, the boundary of this target was changed to Mitsubishi Estate

*3 Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services



*4 Denominator and numerator are calculated as follows

<Calculation method until FY2020>

Denominator: Male employees whose spouse gave birth during the corresponding fiscal year and who are eligible for maternity leave (excluding employees who have been with the company less than one year)

Numerator: Male employees whose spouse gave birth during the corresponding fiscal year and who took maternity leave during the corresponding fiscal year

<Calculation method from FY2021>

Denominator: Male employees whose spouse gave birth during the corresponding fiscal year and who are eligible for maternity leave (excluding employees who have been with the company less than one year)

Numerator: Male employees who took maternity leave during the corresponding fiscal year

Health Management

	Targets	Target Year	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Percentage of high-risk group for metabolic syndrome	(1) 25.6% (2) 14.8% (equivalent to national average; approximately 60% of FY2019 percentage)	(1) Fiscal 2025 (2) Fiscal 2030	-	36.4%	39.5%	42.3%	Mitsubishi Estate ^{*1}
Percentage of healthy group	(1) 20.85% (2) 32.8% (equivalent to national average; approximately 370% of FY2019 percentage)	(1) Fiscal 2025 (2) Fiscal 2030	-	8.9%	10.1%	9.9%	Mitsubishi Estate ^{*1}
Cancer screening rate	90.00%	Every year from FY2021 – FY2030	-	-	80.7%	88.0%	Mitsubishi Estate ^{*1}
High stress group	Maintain percentage of 10% or lower (national average: 10%)	Every year from FY2021 – FY2031	-	5.5%	4.7%	4.0%	Mitsubishi Estate ^{*2}

*1 Applies to head and branch office employees

*2 Includes seconded staff

	Fiscal 2021	Boundary
Stress check rate	91.7%	Mitsubishi Estate ^{*1}
Specific health guidance rate	56.4%	Mitsubishi Estate ^{*1}
Rate of re-examination after regular health checkup	44.4%	Mitsubishi Estate ^{*1}
Smoking rate	11.0%	Mitsubishi Estate ^{*1}
Habitual exercise rate ^{*2}	31.0%	Mitsubishi Estate ^{*1}
Percentage of employees who get enough sleep	75.0%	Mitsubishi Estate ^{*1}

*1 Applies to head and branch office employees

*2 Percentage of employee who engage in at least 30 minutes of exercise twice a week

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Resilient Urban Development

	Targets	Target Year	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Rate of employees with first aid provider qualification	100%	Fiscal 2030 ongoing goal	64.0%	61.0%	63.0%	72.4%	2 Group companies *

* Mitsubishi Estate, Mitsubishi Jisho Property Management

Other

	Targets	Target Year	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Employee absentee rate	0%	Fiscal 2030 ongoing goal	0.8%	0.8%	0.9%	0.9%	5 Group companies * ¹
Rate of provision of accessible toilets	100%	Fiscal 2030 ongoing goal	100%	100%	100%	100%	Newly constructed* ² , large-scale* ³ office buildings and commercial facilities in Japan
Rate of barrier-free buildings	100%	Fiscal 2030 ongoing goal	100%	100%	100%	100%	Newly constructed* ² , large-scale* ³ office buildings and commercial facilities in Japan

*¹ Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services

*² Completed in 2002 onward

*³ Total floor area: 100,000m² or more

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(2) Other

1. Human Resources

I) Mitsubishi Estate Employment Conditions

Workforce breakdown (As of the beginning of each fiscal year)

	Fiscal 2018		Fiscal 2019		Fiscal 2020		Fiscal 2021		Fiscal 2022	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Men	1,249	77.1%	1,233	75.7%	1,333	75.4%	1,369	74.0%	1,401	72.9%
(Of which, regular employees)	1,108	68.4%	1,080	66.3%	1,104	62.4%	1,122	60.6%	1,148	59.7%
- Of which, managers	690	42.6%	668	41.0%	682	38.6%	662	35.8%	659	34.3%
- Of which, non-managerial employees	418	25.8%	412	25.3%	422	23.9%	460	24.9%	489	25.4%
(Of which, short-term contract workers)	141	8.7%	153	9.4%	229	12.9%	247	13.3%	253	13.2%
Women	372	22.9%	396	24.3%	436	24.6%	482	26.0%	522	27.1%
(Of which, regular employees)	283	17.5%	306	18.8%	328	18.5%	352	19.0%	390	20.3%
- Of which, managers	42	2.6%	39	2.4%	42	2.4%	47	2.5%	51	2.7%
- Of which, non-managerial employees	241	14.9%	267	16.4%	286	16.2%	305	16.5%	339	17.6%
(Of which, short-term contract workers)	89	5.5%	90	5.5%	108	6.1%	130	7.0%	132	6.9%
Total	1,621	100.0%	1,629	100.0%	1,769	100.0%	1,851	100.0%	1,923	100.0%
(Of which, regular employees)	1,391	85.8%	1,386	85.1%	1,432	80.9%	1,474	79.6%	1,538	80.0%
- Of which, managers	732	45.2%	707	43.4%	724	40.9%	709	38.3%	710	36.9%
- Of which, non-managerial employees	659	40.7%	679	41.7%	708	40.0%	765	41.3%	828	43.1%
(Of which, short-term contract workers)	230	14.2%	243	14.9%	337	19.1%	377	20.4%	385	20.0%

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Workforce profile, by age bracket (As of April 1, 2022)

	Total		20-29		30-39		40-49		50-59		60 and over	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Men	1,401	72.9%	195	58.6%	361	67.7%	238	71.7%	450	82.0%	157	89.2%
Women	522	27.1%	138	41.4%	172	32.3%	94	28.3%	99	18.0%	19	10.8%
Total	1,923	100%	333	100%	533	100%	332	100%	549	100%	176	100%

Percentage of female managers (As of the beginning of each fiscal year)

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Female employees as percentage of all employees	22.9%	24.3%	24.6%	26.0%	27.1%
Female subsection chiefs as percentage of all subsection chiefs	15.9%	16.9%	20.3%	21.1%	23.9%
Female managers as percentage of all managers	5.7%	5.5%	5.8%	6.6%	7.2%
Female junior managers as percentage of all junior managers	14.4%	15.9%	15.6%	17.4%	17.5%
Female middle managers as percentage of all middle managers	3.0%	3.2%	4.3%	4.7%	4.0%
Female senior managers as percentage of all senior managers	0.0%	0.4%	0.4%	1.1%	2.3%
Female non-back office managers as percentage of all non-back office managers	6.8%	5.1%	5.1%	6.4%	7.0%
Female employees in STEM-related positions as percentage of total STEM positions	-	-	26.4%	26.4%	26.5%

Percentage of employees by nationality (As of the beginning of each fiscal year)

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Percentage of all full time employees by nationality					
- Japan	99.6%	99.6%	99.7%	99.6%	99.5%
- Other	0.4%	0.4%	0.3%	0.4%	0.5%
Percentage of managers by nationality					
- Japan	100%	100%	100%	100%	100%
- Other	0.0%	0.0%	0.0%	0.0%	0.0%

→ [Check ESG date on the website](#)



New hires and people leaving the company (As of the beginning of each fiscal year)

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
New employees (new graduate hires and mid-career hires)	53	58	80	92	-
(Breakdown by gender)					
- Male percentage	71.7%	51.7%	71.3%	68.5%	-
- Female percentage	28.3%	48.3%	28.8%	31.5%	-
(Breakdown by age)					
- Percentage of < 30 years old	66.0%	63.8%	60.0%	65.2%	-
- Percentage of 30-50 years old	34.0%	36.2%	38.8%	34.8%	-
- Percentage of > 50 years old	0.0%	0.0%	1.3%	0.0%	-
(Breakdown by nationality)					
- Percentage of Japanese nationality	100.0%	98.3%	96.3%	97.8%	-
- Percentage of other nationalities	0.0%	1.7%	3.8%	2.2%	-
(Breakdown by positions)					-
- Percentage of non-managers	100.0%	100.0%	100.0%	100.0%	-
- Percentage of junior managers	0.0%	0.0%	0.0%	0.0%	-
- Percentage of middle managers	0.0%	0.0%	0.0%	0.0%	-
- Percentage of senior managers	0.0%	0.0%	0.0%	0.0%	-
New graduate hires	35	37	45	47	42
- Male percentage	68.6%	62.2%	62.2%	61.7%	64.3%
- Female percentage	31.4%	37.8%	37.8%	38.3%	35.7%
Mid-career hires	18	21	35	45	-
- Male percentage	77.8%	33.3%	82.9%	75.6%	-
- Female percentage	22.2%	66.7%	17.1%	24.4%	-
Number of employees leaving company (including those retiring at mandatory retirement age)	49	77	48	47	-
(Breakdown by gender)					-
- Male percentage	-	-	83.3%	89.4%	-
- Female percentage	-	-	16.7%	10.6%	-
(Breakdown by age)					-
- Percentage of < 30 years old	-	-	2.1%	4.3%	-
- Percentage of 30-50 years old	-	-	2.1%	12.8%	-
- Percentage of > 50 years old	-	-	97.9%	83.0%	-
(Breakdown by nationality)					-
- Percentage of Japanese nationality	-	-	100%	100%	-
- Percentage of other nationalities	-	-	0%	0%	-
(Breakdown by positions)					-
- Percentage of non-managers	-	-	23.4%	25.5%	-
- Percentage of junior managers	-	-	12.8%	19.1%	-
- Percentage of middle managers	-	-	19.1%	34.0%	-
- Percentage of senior managers	-	-	46.8%	21.3%	-
Percentage of employees leaving for personal reasons	1.2%	1.2%	0.1%	0.5%	-
Total employee turnover rate	1.2%	5.6%	3.4%	3.2%	-

→ Check ESG date on the website



Average number of years of continuous service by gender (As of the end of each fiscal year)

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Men	19.5	19.6	19.1	18.6
Women	16.9	15.3	14.3	13.7

* As of the end of each fiscal year

Labor union

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Labor union members as percentage of employees*	71.7%	70.0%	70.3%	74.8%	70.8%

* Excluding employees in managerial positions

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Number of labor standard infringements or allegations against the company	0	0	0	0	0

2. Diversity

Health & safety (Employee)

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Total accidents	2	1	2	1	2	Mitsubishi Estate
- Deaths	0	0	0	0	0	
- Lost working time	0	1	0	0	0	
- Total working days lost	0	71	0	0	0	
Absentee rate	0.91%	0.94%	0.67%	0.76%	0.22%	Mitsubishi Estate
Injury rate	0.001%	0.0005%	0.001%	0.0005%	0.0008%	Mitsubishi Estate
Lost day incident rate* ¹	0%	2.316%	0%	0%	0%	Mitsubishi Estate
Lost-time injury frequency rate (LTIFR)	1.35%	0.66%	1.30%	0.63%	1.10%	Mitsubishi Estate
Medical examination rate	-	97%	100%	100%	100%	Mitsubishi Estate
Percentage of employees taking health and safety training* ³	93.2%	95.0%	100%	100%	91%	Mitsubishi Estate
Number of employees taking health and safety training* ³	41	19	21	25	30	Mitsubishi Estate

*1 Total number of lost day due to injury/ Total number of actual working hours X 1,000

*2 Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services

*3 This training is provided through newly-appointed Manager Class 1 training

→ [Check ESG data on the website](#)



Employee satisfaction and customer satisfaction

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Employee satisfaction/percentage of high ratings* ¹	-	-	84.5%	86.7%	88.5%	Mitsubishi Estate
(Breakdown by age)						
- Percentage of < 30 years old	-	-	-	-	85.5%	
- Percentage of 30-50 years old	-	-	-	-	88.5%	
- Percentage of > 50 years old	-	-	-	-	91.9%	
(Breakdown by positions)						
- Percentage of non-managers	-	-	-	-	87.0%	
- Percentage of junior managers	-	-	-	-	86.4%	
- Percentage of middle managers	-	-	-	-	95.5%	
- Percentage of senior managers	-	-	-	-	94.1%	
Overall customer satisfaction with sales/percentage of high ratings* ²	-	82.6%	86.4%	86.7%	87.3%	Mitsubishi Estate Residence

*1 Percentage of employees answering "Yes" to the question "Do you feel your job is rewarding?" on an employee questionnaire

*2 Up to fiscal 2018: percentage of ratings in top 2 out of 7 evaluation levels; From fiscal 2019: percentage of ratings in top 2 out of 5 evaluation levels

Number of employees using personnel programs

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Unit	Boundary
Number of employees taking childcare leave of absence	-	-	109	116	217	people	5 Group companies* ¹
Number of employees taking nursing care leave of absence	-	-	0	0	3	people	5 Group companies* ¹
Number of employees working shorter hours for childcare and nursing care	-	-	126	108	143	people	5 Group companies* ¹
Number of employees using volunteer leave	8	28	10	0	0	Total number of people	Mitsubishi Estate
Number of employees using social learning* ²	7	1	0	0	0	Total number of people	Mitsubishi Estate
Number of employees using volunteer insurance	8	2	12	1	46	Total number of people	Mitsubishi Estate Group
Number of employees using subsidies for volunteering	36	16	17	8	42	Total number of people	Mitsubishi Estate Group
Number of employees using subsidy program for travel expenses to volunteer in disaster-affected areas* ²	10	5	3	0	0	Total number of people	Mitsubishi Estate Group

*1 Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services

*2 Program that allows volunteering during working hours

Human resource development

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Unit	Boundary
Training time per employee per year	8.7	7.6	8.2	8.1	hours per year	5 Group companies*
Training cost per employee per year	127,989	84,482	75,648	85,668	yen per year	5 Group companies*

* Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services

→ [Check ESG data on the website](#)



Human rights

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Unit	Boundary
Allegations concerning human rights and harassment	0	0	0	0	0	cases	Mitsubishi Estate
Annual total hours of human rights training at Mitsubishi Estate Group	185,025	204,080	169,090	110,940	142,230	minutes	Mitsubishi Estate
Annual total number of companies taking human rights training at Mitsubishi Estate Group	34	22	23	29	59	number	Mitsubishi Estate
Annual total participants of human rights training at Mitsubishi Estate Group	544	1,891	1,018	1,600	1,019	people	Mitsubishi Estate
Annual total hours of human rights training at Mitsubishi Estate	105	101	35,650	54,790	129,460	minutes	Mitsubishi Estate
Annual total participants of human rights training at Mitsubishi Estate	894	1,116	308	608	1,433	people	Mitsubishi Estate

Percentage of employees taking training programs (Mitsubishi Estate)

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Percentage of employees taking sexual harassment prevention training	-	100%	97.5%	89.4%	94.0%
Newly-appointed Manager Class 1 training	93.2%	95.0%	100%	100%	90.9%

Resilience

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Rate of buildings that are to take in stranded commuters*1	92.3%	92.3%	92.3%	100.0%	Newly constructed*2, large-scale*3 office buildings and commercial facilities in Japan

*1 Facilities that have signed an agreement with the government to accept stranded commuters and facilities that have voluntarily formulated a policy and plan for accepting stranded commuters.

*2 Completed in 2002 onward

*3 Floor area: 100,000m² or more

Annual salary of employees (Mitsubishi Estate)

	Fiscal 2017		Fiscal 2018		Fiscal 2019		Fiscal 2020		Fiscal 2021	
	Amount (yen)	Number of people	Amount (yen)	Number of people	Amount (yen)	Number of people	Amount (yen)	Number of people	Amount (yen)	Number of people
Average annual salary of employees	12,290,437	806	12,476,724	899	12,735,234	903	12,675,663	953	12,647,559	1053

→ [Check ESG data on the website](#)



3. Supply chain management related data

Supplier spend (by categories)

	FY2021
Construction fees	14%
Acquisition of property and equipment	16%
Utilities expenses	4%
Facilities management expenses	9%
Marketing and SG&A expenses	2%
Statutory fees and taxes	19%
Other	36%

Supplier spend (by region)

	FY2021
Japan	98.5%
US	1.3%
Asia	0.2%
Europe	0.1%

→ [Check ESG data on the website](#)



ESG Data

G: Governance data

E: Environmental data

S: Social data

G: Governance data

G: Governance data

(1) KPI

1. Corporate Governance

	Targets	Target year	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Attendance at Board of Directors meetings	100%	Fiscal 2030 ongoing goal	100%	99.3%	100%	100%	Mitsubishi Estate

2. Risk Management and Compliance

	Targets	Targets year	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Compliance e-learning attendance	100%	Fiscal 2030 ongoing goal	97.8%	98.3%	100%	99.6%	Mitsubishi Estate*

* Excludes advisors and dispatched employees. Outside Directors included.

→ [Check ESG data on the website](#)



(2) Other

1. Corporate Governance

I) Attendance at Board of Directors and Each Committee Meetings (Fiscal 2021)

* Name, attendance and attendance percentage for chairman of each committee meeting in blue

	Title	Name	Outside director	The Board of Directors		Audit Committee		Nominating Committee		Remuneration Committee	
				Attendance	Attendance percentage	Attendance	Attendance percentage	Attendance	Attendance percentage	Attendance	Attendance percentage
1	Chairman of the Board	Hiroataka Sugiyama		10/10	(100%)	-	-	-	-	-	-
2	Director	Junichi Yoshida		10/10	(100%)	-	-	-	-	-	-
3	Director	Junichi Tanisawa		10/10	(100%)	-	-	-	-	-	-
4	Director	Tetsuji Arimori		10/10	(100%)	-	-	-	-	-	-
5	Director	Hiroshi Katayama		10/10	(100%)	-	-	-	-	-	-
6	Director	Bunroku Naganuma		10/10	(100%)	-	-	-	-	-	-
7	Director	Jo Kato		10/10	(100%)	15/15	(100%)	-	-	-	-
8	Director	Noboru Nishigai		10/10	(100%)	15/15	(100%)	-	-	-	-
9	Director	Tsuyoshi Okamoto	○	10/10	(100%)	-	-	5/5	(100%)	9/9	(100%)
10	Director	Shin Ebihara	○	10/10	(100%)	-	-	5/5	(100%)	9/9	(100%)
11	Director	Tetsuo Narukawa	○	10/10	(100%)	15/15	(100%)	-	-	-	-
12	Director	Masaaki Shirakawa	○	10/10	(100%)	-	-	5/5	(100%)	9/9	(100%)
13	Director	Shin Nagase	○	10/10	(100%)	15/15	(100%)	-	-	-	-
14	Director	Setsuko Egami	○	10/10	(100%)	-	-	5/5	(100%)	9/9	(100%)
15	Director	Iwao Taka	○	10/10	(100%)	15/15	(100%)	-	-	-	-
Total				150/150	(100%)	75/75	(100%)	20/20	(100%)	36/36	(100%)

→ Check ESG date on the website



II) Remuneration

Remuneration of Directors and Corporate Executive Officers

	Fiscal 2018					Fiscal 2019				
	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)
Directors	397	-	397	12	33	368	-	368	11	33
- In-house Director	289	-	289	4	72	260	-	260	3	87
- Outside Director	107	-	107	8	13	108	-	108	8	14
Executive officers	568	573	1,142	14	82	551	529	1,081	13	83

	Fiscal 2020					Fiscal 2021				
	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)
Directors	365	-	365	10	37	365	-	369	11	34
- In-house Director	257	-	257	3	86	257	-	261	4	65
- Outside Director	108	-	108	7	15	108	-	108	7	15
Executive officers	620	545	1,166	15	78	622	517	1,139	16	71

Remuneration paid to Chairman of the Board and CEO

	Fiscal 2018			Fiscal 2019		
	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)
Chairman of the Board	141	-	141	138	-	138
CEO	79	82	161	79	86	166

	Fiscal 2020			Fiscal 2021		
	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)
Chairman of the Board	138	-	138	138	-	138
CEO	79	79	159	79	79	159

→ Check ESG date on the website



Number of shares of the Company held by Directors

	Title	Name	Outside director	Term of office served as Director (years)	Number of shares held (thousand)
1	Chairman of the Board	Hiroataka Sugiyama		15	63.3
2	Director	Junichi Yoshida		6	78.5
3	Director	Junichi Tanisawa		8	54.9
4	Director	Atsushi Nakajima		0	27.3
5	Director	Naoki Umeda		0	14.6
6	Director	Hitoshi Kubo		1	7.1
7	Director	Noboru Nishigai		1	29.8
8	Director	Hiroshi Katayama		6	38
9	Director	Tsuyoshi Okamoto	○	3	1
10	Director	Tetsuo Narukawa	○	4	1.2
11	Director	Masaaki Shirakawa	○	6	-
12	Director	Shin Nagase	○	6	0.3
13	Director	Setsuko Egami	○	7	3.2
14	Director	Iwao Taka	○	6	1
15	Director	Melanie Brock	○	-	-
Average			-	4.9	24.6

* As of June 29, 2022

Number of shares of the Company held by Corporate Executive Officers

	Title	Name	Number of the shares of the Company held (thousand)
1	Representative Corporate Executive Officer, President & Chief Executive Officer	Junichi Yoshida	78
2	Representative Corporate Executive Officer, Deputy President	Junichi Tanisawa	55
3	Representative Corporate Executive Officer, Executive Vice President	Futoshi Chiba	37
4	Representative Corporate Executive Officer, Executive Vice President	Kenji Hosokane	33
5	Representative Corporate Executive Officer, Executive Vice President	Atsushi Nakajima	27
6	Representative Corporate Executive Officer, Executive Vice President	Yuji Fujioka	26
7	Senior Executive Officer	Keiji Takano	25
8	Senior Executive Officer	Bunroku Naganuma	28
9	Senior Executive Officer	Toru Kimura	31
10	Senior Executive Officer	Yutaro Yotsuzuka	19
11	Senior Executive Officer	Ikuo Ono	28
12	Senior Executive Officer	Naoki Umeda	14
13	Senior Executive Officer	Haruhiko Araki	18
14	Corporate Executive Officer	Hitoshi Kubo	7
Average			30.4

* As of June 29, 2022

III) Number of Directors by Gender

	Male		Female		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
In-house Director	5	33.3%	2	13.3%	7	46.7%
Outside Director	8	53.3%	0	0.0%	8	53.3%
Total	13	86.7%	2	13.3%	15	100%

* As of June 29, 2022

→ Check ESG date on the website



2. Risk Management and Compliance

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Boundary
Number of consultations and reports via the Mitsubishi Estate Group help line	64	63	75	44	53	Mitsubishi Estate Group
- Number concerning discrimination	-	-	-	0	0	-
- Number concerning harassment	-	-	-	8	10	-
Number of major compliance violations (violations of Mitsubishi Estate Group Code of Conduct and Group Guidelines for Conduct and Anti-Corruption Guidelines)	0	0	0	0	0	Mitsubishi Estate Group
Fines (amount) for violations of Anti-Monopoly Act or other regulations	0	0	0	0	0	Mitsubishi Estate Group
Number of cases investigated under Anti-Monopoly Act or other regulations	0	0	0	0	0	Mitsubishi Estate Group
Number of incidents of illicit conduct related to corruption, bribery or other illicit conduct	0	0	0	0	0	Mitsubishi Estate Group
Number of cases investigated due to suspicion of corruption, bribery or other illicit conduct	0	0	0	0	0	Mitsubishi Estate Group

Amount of tax paid in each country by the Mitsubishi Estate Group

(Unit: Millions of yen)

	Fiscal 2019	Fiscal 2020
Japan	43,264	56,025
US	1,184	434
UK	1,176	692
Singapore	81	132
Other	92	115
Total	45,797	57,397

→ [Check ESG data on the website](#)



SUSTAINABILITY ACTIVITIES (ESG) Independent Third-Party Assurance Report

Independent Assurance

We have asked Lloyd's Register Quality Assurance Ltd. to provide assurance on the environmental data. Please refer to the following Independent Assurance Statement for detail.

LRQA Independent Assurance Statement Relating to Mitsubishi Estate Group's Greenhouse Gas Emissions and Environmental Data for the fiscal year 2021 (PDF 202KB)

[PDF](#)

Assurance Statement related to GHG Emissions Report 2020 (PDF 560KB)

[PDF](#)

LR Independent Assurance Statement relating to Environmental Data 2020 (PDF 596KB)

[PDF](#)

Assurance Statement Related to GHG Emissions Report 2019 (PDF 160KB)

[PDF](#)

LR Independent Assurance Statement Relating to Environmental Data 2019 (PDF 307KB)

[PDF](#)



INDEX (GRI · SASB · TCFD, etc.)

ESG Content Index

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**GRI Standards Content
Index**

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**Information Disclosure in
Accordance with the
SASB Standards**

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**Information Disclosure
Based on TCFD
Recommendations**

[READ MORE →](#)



INDEX

ESG Content Index

* E: Environment, S: Social, G: Governance

Relevant items	Policies	Management structure	Initiatives	
E	Climate Change Response	<ul style="list-style-type: none"> → Policies and Targets → Climate Change Strategies > Basic Policy and Approach → Information Disclosure Based on TCFD Recommendations 	→ Promotion System	<ul style="list-style-type: none"> → Climate Change Strategies → List of Buildings Introducing Renewable Energy
	Water Usage	<ul style="list-style-type: none"> → Policies and Targets → Conserving Water Resources > Basic Policy and Approach 	→ Promotion System	→ Conserving Water Resources
	Preventing Pollution	* The applicable materials under building administration are VOCs, and they are managed appropriately according to management guidelines based on laws and regulations.	→ Promotion System	<ul style="list-style-type: none"> → Conserving Water Resources → Reducing Waste and Preventing Pollution
	Effective Use of Resources (Including Waste Reduction)	<ul style="list-style-type: none"> → Policies and Targets → Reducing Waste and Preventing Pollution > Policy on Waste Reduction, Preventing Pollution, and Reducing Use of Resources 	→ Promotion System	→ Reducing Waste and Preventing Pollution
	Preserving Biodiversity	<ul style="list-style-type: none"> → Policies and Targets → Preserving Biodiversity > Policy on Biodiversity 	→ Promotion System	→ Preserving Biodiversity
	Environmental Management	→ Policies and Targets	→ Promotion System	—
S	Supply Chain Management	→ Supply Chain Management > Basic Policy and Approach	→ Supply Chain Management > Promotion System	→ Supply Chain Management > Primary Initiatives
	Customer Relations	<ul style="list-style-type: none"> → Enhancing Customer Satisfaction > Basic Policy and Approach → Stakeholder Engagement 	<ul style="list-style-type: none"> → Enhancing Customer Satisfaction > Promotion System → Stakeholder Engagement 	<ul style="list-style-type: none"> → Enhancing Customer Satisfaction > Primary Initiatives → Stakeholder Engagement



	Relevant items	Policies	Management structure	Initiatives
S	Labor Practices	—	—	→ Employment and Labor Relations → Promoting Diversity
	Occupational Health and Safety	→ Occupational Health and Safety / Health Management > Policy on Occupational Health and Safety → Occupational Health and Safety / Health Management > Policy on Health Management	—	→ Occupational Health and Safety / Health Management
	Human Rights	→ Human Rights Initiatives > Policy on Human Rights	→ Human Rights Initiatives > Promotion System	→ Human Rights Initiatives
	Human Resource Development & Retention	→ Human Resource Development > Basic Policy and Approach	→ Human Resource Development > Initiatives for Human Resource Development	→ Human Resource Development > Initiatives for Human Resource Development
	Social Contribution Activities	→ Social Contribution Activities / Support for Communities > Basic Policy and Approach	—	→ Social Contribution Activities / Support for Communities
G	Corporate Governance	→ IR information > Corporate governance > Corporate governance system	→ IR information > Corporate governance > Corporate governance system	→ IR information > Corporate governance
	Appointment, Dismissal and Nomination of Corporate Executive Officers	→ Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3 (PDF 321KB)	→ IR information > Corporate governance > Corporate governance system → IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report P9	→ IR information > Corporate governance > Corporate governance system > Reasons for Appointing Executive Officers → Reasons for the Nomination of Candidates for Directors (See the notice of convocation of the ordinary general meeting of shareholders)
	Corporate Executive Officer Remuneration	→ IR Information > Corporate Governance > Remuneration → Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3 (PDF 321KB) → IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report P19	→ IR Information > Corporate Governance > Remuneration → Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3 (PDF 321KB)	→ IR Information > Corporate Governance > Remuneration → IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report P18
	Internal Controls	→ Compliance > Compliance Approach and Policies	→ Compliance > System for Promoting Compliance	→ Compliance > Reinforcing Compliance
	Management Auditing	→ IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report P18	→ IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report P18	→ IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report P18



Relevant items	Policies	Management structure	Initiatives
Risk Management	→ Risk Management > Risk Management Approach and Policies	→ Risk Management > System for Promoting Risk Management	→ Risk Management > Risk Management Initiatives
Disaster Response & BCP	→ Risk Management > Business Continuity Plan Initiative and Review → Key Theme 4: Resilience > Establishment of Disaster Preparedness and Mitigation Framework	→ Key Theme 4: Resilience > Establishment of Disaster Preparedness and Mitigation Framework	→ Risk Management > Business Continuity Plan Initiative and Review → Key Theme 4: Resilience > Establishment of Disaster Preparedness and Mitigation Framework → Key Theme 4: Resilience > Initiatives to Enhance Disaster Preparedness in Buildings
Information Security	→ Risk Management > Dealing with Major Risks → Risk Management > Emerging Risks for the Mitsubishi Estate Group's Business	→ Risk Management > System for Promoting Risk Management → Risk Management > Dealing with Major Risks → Risk Management > Emerging Risks for the Mitsubishi Estate Group's Business	→ Risk Management > Risk Management Initiatives → Risk Management > Dealing with Major Risks → Risk Management > Emerging Risks for the Mitsubishi Estate Group's Business
Compliance	→ Compliance > Compliance Approach and Policies	→ Compliance > System for Promoting Compliance	→ Compliance > Reinforcing Compliance
Preventing Corruption	→ Compliance > Reinforcing Compliance > Preventing Corruption	→ Risk Management > System for Promoting Risk Management	→ Compliance > Reinforcing Compliance
Materiality	→ Material Issues of the Mitsubishi Estate Group → Mitsubishi Estate Group 2030 Goals for SDGs	→ Sustainability Promotion System	→ Material Issues of the Mitsubishi Estate Group → Mitsubishi Estate Group 2030 Goals for SDGs
Stakeholder Engagement	→ Stakeholder Engagement → IR information	→ Stakeholder Engagement → IR information	→ Stakeholder Engagement → IR information
Rules and Policies	→ Mitsubishi Estate Group ESG-Related Rules and Policies		
Results and Data	→ ESG Data		
Editorial Policy	→ Editorial Policy		

G



INDEX

GRI Standards Content Index

Information disclosure regarding sustainability at the Mitsubishi Estate Group references the GRI Sustainability Reporting Standards.

General Disclosures

1. Organizational profile

GRI standards	Requirements		References
GRI 102: General Disclosures 2016	102-1	Name of the organization	→ About US > Corporate Data
	102-2	Activities, brands, products, and services	→ Business Introduction
	102-3	Location of headquarters	→ About US > Corporate Data
	102-4	Location of operations	→ About US > Corporate Data
			→ About US > Group Companies > International Business
			→ Business Introduction > International Business
	102-5	Ownership and legal form	→ About US > Corporate Data
	102-6	Markets served	→ Business Introduction
			→ About US > Group Companies > International Business
			→ About US > Group Companies
102-7	Scale of the organization	→ About US > Corporate Data	
		→ IR Information > Financial information > Financial data	
102-8	Information on employees and other workers	→ ESG Data > Social Data	
		→ Financial Report	



GRI standards	Requirements		References
GRI 102: General Disclosures 2016	102-9	Supply chain	→ Sustainability Activities (ESG) > Social > Supply Chain Management
	102-10	Significant changes to the organization and its supply chain	No applicable significant changes.
	102-11	Precautionary Principle or approach	→ Messages > Message from the President
			→ Messages > Messages from the Director Responsible for Sustainability and an Outside Director
			→ Sustainability Activities (ESG) > Governance > Risk Management
			→ Sustainability Activities (ESG) > Environment > Information Disclosure Based on TCFD Recommendations
			→ Sustainability Activities (ESG) > Social > Human Rights Initiatives
	102-12	External initiatives	→ Sustainability Management > Participation in Global Initiatives
			→ Sustainability Management > External Evaluations of ESG Performance
			→ Sustainability Activities (ESG) > Social > Human Rights Initiatives
102-13	Membership of associations	→ Sustainability Management > Stakeholder Engagement > Partnerships with Outside Organizations	



2. Strategy

GRI standards	Requirements		References
GRI 102 : General Disclosures 2016	102-14	Statement from senior decision-maker	→ Messages > Message from the President
			→ Messages > Messages from the Director Responsible for Sustainability and an Outside Director
	102-15	Key impacts, risks, and opportunities	→ Messages > Message from the President
			→ Messages > Messages from the Director Responsible for Sustainability and an Outside Director
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Material Issues of the Mitsubishi Estate Group
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 1: Environment
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 2: Diversity & Inclusion
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 3: Innovation
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 4: Resilience
			→ Information Disclosure Based on TCFD Recommendations
→ Sustainability Activities (ESG) > Governance > Risk Management			

3. Ethics and integrity

GRI standards	Requirements		References
GRI 102 : General Disclosures 2016	102-16	Values, principles, standards, and norms of behavior	→ Sustainability Management > Corporate Philosophy and Sustainability Vision
			→ Sustainability Management > Value Creation Model
			→ Sustainability Management > Mitsubishi Estate Group ESG-Related Rules and Policies
	102-17	Mechanisms for advice and concerns about ethics	→ Sustainability Activities (ESG) > Governance > Compliance
			→ Sustainability Activities (ESG) > Social > Human Rights Initiatives



4. Governance

GRI standards	Requirements		References
GRI 102 : General Disclosures 2016	102-18	Governance structure	→ IR Information > Corporate governance > Corporate governance system
	102-19	Delegating authority	→ Sustainability Management > Sustainability Promotion System
	102-20	Executive-level responsibility for economic, environmental, and social topics	→ Sustainability Management > Sustainability Promotion System
	102-21	Consulting stakeholders on economic, environmental, and social topics	→ Sustainability Management > Stakeholder Engagement
	102-22	Composition of the highest governance body and its committees	→ IR Information > Corporate governance > Corporate governance system
			→ IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report > Items Relating to Functions of Business Execution, Audit and Supervision, Nomination, and Decision on Remuneration, etc. (Overview of Corporate Governance Structure) P24
	102-23	Chair of the highest governance body	→ IR Information > Corporate governance > Corporate governance system
			→ IR Information > Corporate governance
			→ IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report > Overview of Business Management Organization and Other Corporate Governance Systems Related to Managerial Decision-Making, Business Execution, and Management Supervision P10
	102-24	Nominating and selecting the highest governance body	→ Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3 (PDF 174KB)
→ Reasons for the Nomination of Candidates for Directors (See the notice of convocation of the ordinary general meeting of shareholders) (PDF 1MB)			
→ IR Information > Corporate governance Corporate governance system > Reasons for the Appointment of Corporate Executive Officers			
102-25	Conflicts of interest	→ IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report > Status of Implementation of Measures Related to Shareholders and Other Stakeholders P28	
102-26	Role of highest governance body in setting purpose, values, and strategy	→ Sustainability Management > Sustainability Promotion System	
102-27	Collective knowledge of highest governance body	→ Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P6 (PDF 174KB)	



GRI standards	Requirements		References
GRI 102 : General Disclosures 2016	102-28	Evaluating the highest governance body's performance	→ IR Information > Corporate Governance > Initiatives to Strengthen Corporate Governance ☐
	102-29	Identifying and managing economic, environmental, and social impacts	→ Sustainability Activities (ESG) > Governance > Risk Management → IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report > Basic Policy and Status of Implementation of the Internal Control System P32 ☐
	102-30	Effectiveness of risk management processes	→ Sustainability Activities (ESG) > Governance > Risk Management
	102-31	Review of economic, environmental, and social topics	→ Sustainability Management > Sustainability Promotion System → Sustainability Activities (ESG) > Governance > Risk Management The following bodies deliberate upon impacts, risks, and opportunities. • Executive Committee (as a general rule, meets once a week) • Risk Management & Compliance Committee (as a general rule, meets three times a year) • CSR Committee (as a general rule, meets twice a year)
	102-32	Highest governance body's role in sustainability reporting	→ Sustainability Management > Sustainability Promotion System
	102-33	Communicating critical concerns	→ Sustainability Activities (ESG) > Governance > Risk Management → Sustainability Activities (ESG) > Governance > Compliance
	102-34	Nature and total number of critical concerns	None → Sustainability Activities (ESG) > ESG Data > G: Governance data > (2) Other > 2. Risk Management and Compliance
	102-35	Remuneration policies	→ IR Information > Corporate Governance > Remuneration > Revision of the Officer Remuneration System ☐ → Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3, P8 (PDF 321KB) PDF → IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report > Disclosed Policy for Deciding the Amounts or Calculation Method of Remuneration P22 ☐
	102-36	Process for determining remuneration	→ IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report > Disclosed Policy for Deciding the Amounts or Calculation Method of Remuneration P22 ☐
	102-37	Stakeholders' involvement in remuneration	→ IR Information > Corporate Governance > Remuneration > Revision of the Officer Remuneration System ☐ → IR Information > Corporate governance > RELATED MATERIALS > Corporate Governance Report > Disclosed Policy for Deciding the Amounts or Calculation Method of Remuneration P22 ☐
102-38	Annual total compensation ratio	Undisclosed at the present time.	
102-39	Percentage increase in annual total compensation ratio	Undisclosed at the present time.	



5. Stakeholder engagement

GRI standards	Requirements		References
GRI 102 : General Disclosures 2016	102-40	List of stakeholder groups	→ Sustainability Management > Stakeholder Engagement
	102-41	Collective bargaining agreements	→ Sustainability Activities (ESG) > Social > Employment and Labor Relations > Promotion of Dialogue with Employees and Labor Union
	102-43	Approach to stakeholder engagement	→ Sustainability Management > Stakeholder Engagement
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Material Issues of the Mitsubishi Estate Group
102-44	Key topics and concerns raised	→ Sustainability Management > Stakeholder Engagement > FY2022 Stakeholder Dialog Details	

6. Reporting practice

GRI standards	Requirements		References
GRI 102 : General Disclosures 2016	102-45	Entities included in the consolidated financial statements	→ Editorial Policy
	102-46	Defining report content and topic boundaries	→ Editorial Policy
			→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
			→ Sustainability Activities (ESG) > ESG Data > S: Social Data
			→ Sustainability Activities (ESG) > ESG Data > G: Governance data
	102-47	List of material topics	→ Mitsubishi Estate Group 2030 Goals for SDGs
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Material Issues of the Mitsubishi Estate Group
	102-48	Restatements of information	Not applicable within the given period
	102-49	Changes in reporting	Not applicable within the given period
	102-50	Reporting period	→ Editorial Policy
	102-51	Date of most recent report	→ Editorial Policy
	102-52	Reporting cycle	→ Editorial Policy
	102-53	Contact point for questions regarding the report	→ Editorial Policy
102-54	Claims of reporting in accordance with the GRI Standards	The Sustainability website and report are created with reference to GRI standards.	
102-55	GRI content index	→ Index > GRI Standards Content Index	
102-56	External assurance	→ Independent Third-Party Assurance Report	



GRI standards	Requirements		References
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	→ Mitsubishi Estate Group 2030 Goals for SDGs > Material Issues of the Mitsubishi Estate Group
			→ Mitsubishi Estate Group 2030 Goals for SDGs
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 1: Environment
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 2: Diversity & Inclusion
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 3: Innovation
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 4: Resilience
	103-2	The management approach and its components	→ Sustainability Management > Sustainability Promotion System
			→ Mitsubishi Estate Group 2030 Goals for SDGs
			→ Sustainability Activities (ESG) > Governance > Risk Management
	103-3	Evaluation of the management approach	→ Sustainability Management > Sustainability Promotion System
→ Sustainability Activities (ESG) > Governance > Risk Management			



Material Topics

Economic

GRI standards	Requirements		References
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	→ Sustainability Activities (ESG) > ESG Data > S: Social Data
			→ Financial Report PDF
	201-2	Financial implications and other risks and opportunities due to climate change	→ Sustainability Activities (ESG) > Environment > Information Disclosure Based on TCFD Recommendations
	201-3	Defined benefit plan obligations and other retirement plans	→ Sustainability Activities (ESG) > Social > Employment and Labor Relations > Retirement Allowance Program
			→ Financial Report PDF
201-4	Financial assistance received from government	—	
GRI 202: Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	→ Sustainability Activities (ESG) > Social > Employment and Labor Relations > Payment of Fair Wages
	202-2	Proportion of senior management hired from the local community	—
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	→ Sustainability Activities (ESG) > Environment
			→ Sustainability Activities (ESG) > Social > Social Contribution Activities / Support for Communities > Building Communities
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 3: Innovation
			→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 4: Resilience
203-2	Significant indirect economic impacts	Undisclosed at the present time.	
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	→ Sustainability Activities (ESG) > Social > Supply Chain Management
			→ Sustainability Activities (ESG) > ESG Data > Social Data > (2) Other > 3. Supply chain management related data



GRI standards	Requirements		References
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	→ Sustainability Activities (ESG) > Governance > Compliance > Reinforcing Compliance
			→ Sustainability Activities (ESG) > Governance > Risk Management > Risk Management Initiatives
	205-2	Communication and training about anti-corruption policies and procedures	→ Sustainability Activities (ESG) > Governance > Compliance > Reinforcing Compliance
			→ Sustainability Activities (ESG) > Governance > Risk Management > Risk Management Initiatives
			→ Sustainability Activities (ESG) > ESG Data > Governance Data
	205-3	Confirmed incidents of corruption and actions taken	→ Sustainability Activities (ESG) > Governance > Compliance > Reinforcing Compliance
→ Sustainability Activities (ESG) > ESG Data > Governance Data			
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	→ Sustainability Activities (ESG) > Governance > Compliance > Reinforcing Compliance
			→ Sustainability Activities (ESG) > ESG Data > Governance Data
GRI 207: Tax 2019	207-1	Approach to tax	→ Sustainability Activities (ESG) > Governance > Governance > Tax Transparency > Policy on Tax Transparency
	207-2	Tax governance, control, and risk management	→ Sustainability Activities (ESG) > Governance > Governance > Tax Transparency > Governance System
	207-3	Stakeholder engagement and management of concerns	→ Sustainability Activities (ESG) > Governance > Governance > Tax Transparency > Governance System
	207-4	Country-by-country reporting	→ Sustainability Activities (ESG) > ESG Data > G: Governance data



Environmental

GRI standards	Requirements		References
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Undisclosed due to the difficulty of obtaining the values.
	301-2	Recycled input materials used	Undisclosed due to the difficulty of obtaining the values.
	301-3	Reclaimed products and their packaging materials	Undisclosed due to the difficulty of obtaining the values.
GRI 302: Energy 2016	302-1	Energy consumption within the organization	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
	302-2	Energy consumption outside of the organization	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
	302-3	Energy intensity	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
	302-4	Reduction of energy consumption	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
			→ Sustainability Activities (ESG) > Environment > Climate Change Strategies > Energy Management Initiatives
302-5	Reductions in energy requirements of products and services	→ Sustainability Activities (ESG) > Environment > Climate Change Strategies > Energy Management Initiatives	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	→ Sustainability Activities (ESG) > Environment > Conserving Water Resources
	303-2	Management of water discharge-related impacts	→ Sustainability Activities (ESG) > Environment > Reducing Waste and Preventing Pollution
			→ Sustainability Activities (ESG) > Environment > Conserving Water Resources
	303-3	Water withdrawal	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
	303-4	Water discharge	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
303-5	Water consumption	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity



GRI standards	Requirements		References
GRI 304: Biodiversity 2016	304-2	Significant impacts of activities, products, and services on biodiversity	→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity
			<ol style="list-style-type: none"> 1. We employ IPM (integrated pest management) to control pests in green areas and endeavor to reduce the amount of chemicals sprayed and minimize their effects. 2. The Group has established the Mitsubishi Estate Group Alien Organisms Response Manual and works to eliminate specified non-native species while conserving indigenous species. 3. We monitor biodiversity in the wider Marunouchi area regularly and publish the results in the "Biodiversity in Marunouchi" handbook. 4. Mitsubishi Estate Residence implements the BIO NET INITIATIVE, a greening project aimed at preserving biodiversity, in an effort to carry out biodiversity-conscious residential development.
	304-3	Habitats protected or restored	→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity > Working to Improve the Waterfront Environment and Preserve the Ecosystem of the Imperial Palace Moat
			→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity > Sunshine Aquarium Coral Conservation Activities
			→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity > Conservation and Protection Activities to Pass Down the Nature of Miyakojima, Okinawa Prefecture to the Next Generation
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	→ Sustainability Activities (ESG) > Environment > Preserving Biodiversity > Working to Improve the Waterfront Environment and Preserve the Ecosystem of the Imperial Palace Moat
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
	305-2	Energy indirect (Scope 2) GHG emissions	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
	305-3	Other indirect (Scope 3) GHG emissions	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
	305-4	GHG emissions intensity	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
	305-5	Reduction of GHG emissions	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
			→ Sustainability Activities (ESG) > Independent Third-Party Assurance Report
	305-6	Emissions of ozone-depleting substances (ODS)	1,540 t-CO ₂ (fiscal 2021)
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	→ Sustainability Activities (ESG) > ESG Data > Environmental Data	



GRI standards	Requirements		References
GRI 306 : Waste 2020	306-1	Waste generation and significant waste-related impacts	→ Sustainability Activities (ESG) > Environment > Reducing Waste and Preventing Pollution
	306-2	Management of significant waste-related impacts	→ Sustainability Activities (ESG) > Environment > Reducing Waste and Preventing Pollution
	306-3	Waste generated	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
	306-4	Waste diverted from disposal	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
	306-5	Waste directed to disposal	→ Sustainability Activities (ESG) > ESG Data > E: Environmental Data
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	There were no fines or sanctions due to major violations of environmental laws in fiscal 2021.
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	→ Sustainability Activities (ESG) > Social > Supply Chain Management > Notification in and outside of the Group on the Supplier Code of Conduct
	308-2	Negative environmental impacts in the supply chain and actions taken	→ Sustainability Activities (ESG) > Social > Supply Chain Management



Social

GRI standards	Requirements		References
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	→ Sustainability Activities (ESG) > ESG Data > S: Social Data
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Life insurance, compensation for illness and disabilities, retirement benefits, employee stock ownership plan, housing assistance, etc. (Scope: Mitsubishi Estate)
	401-3	Parental leave	→ Sustainability Activities (ESG) > Social > Promoting Diversity > Various Programs for Work-Life Integration
→ Sustainability Activities (ESG) > ESG Data > S: Social Data			
GRI 402: Labor / Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Although here are no written rules and they can differ depending on the details, the minimum notice period is two weeks, and major events such as those accompanying a change in work regulations may require a period of over one month. (Scope: Mitsubishi Estate)
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-2	Hazard identification, risk assessment, and incident investigation	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-3	Occupational health services	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-4	Worker participation, consultation, and communication on occupational health and safety	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-5	Worker training on occupational health and safety	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-6	Promotion of worker health	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
	403-8	Workers covered by an occupational health and safety management system	→ Editorial Policy



GRI standards	Requirements		References
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
			→ Sustainability Activities (ESG) > ESG Data > S: Social Data
	403-10	Work-related ill health	→ Sustainability Activities (ESG) > Social > Occupational Health and Safety / Health Management
			→ Sustainability Activities (ESG) > ESG Data > S: Social Data
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	→ Sustainability Activities (ESG) > Social > Human Resource Development > Initiatives for Human Resource Development
			→ ESG Data > Social Data
	404-2	Programs for upgrading employee skills and transition assistance programs	→ Sustainability Activities (ESG) > Social > Human Resource Development
404-3	Percentage of employees receiving regular performance and career development reviews	→ Sustainability Activities (ESG) > Social > Human Resource Development > Initiatives for Human Resource Development	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	→ Sustainability Activities (ESG) > ESG Data > S: Social Data
			→ IR Information > Corporate Governance > Corporate Governance System
	405-2	Ratio of basic salary and remuneration of women to men	→ Sustainability Activities (ESG) > Social > Employment and Labor Relations > Equitable Salary System
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	→ Sustainability Activities (ESG) > ESG Data > Governance Data > 2. Risk Management and Compliance
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	→ Sustainability Activities (ESG) > Social > Human Rights Initiatives > Policy on Human Rights
			→ Sustainability Activities (ESG) > Social > Human Rights Initiatives > Initiatives for Human Rights Due Diligence
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	→ Sustainability Activities (ESG) > Social > Supply Chain Management > Establishment of Mitsubishi Estate Group Supplier Code of Conduct
			→ Sustainability Activities (ESG) > Social > Supply Chain Management > Notification in and outside of the Group on the Supplier Code of Conduct
			→ Sustainability Activities (ESG) > Social > Human Rights Initiatives > Policy on Human Rights
			→ Sustainability Activities (ESG) > Social > Human Rights Initiatives > Initiatives for Human Rights Due Diligence



GRI standards	Requirements		References
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	→ Sustainability Activities (ESG) > Social > Supply Chain Management > Establishment of Mitsubishi Estate Group Supplier Code of Conduct
			→ Sustainability Activities (ESG) > Social > Supply Chain Management > Notification in and outside of the Group on the Supplier Code of Conduct
			→ Sustainability Activities (ESG) > Social > Supply Chain Management > Conducting Self-assessment Questionnaire (SAQ) on Suppliers with High Sustainability Risk
			→ Sustainability Activities (ESG) > Social > Human Rights Initiatives > Policy on Human Rights
			→ Sustainability Activities (ESG) > Social > Human Rights Initiatives > Initiatives for Human Rights Due Diligence
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	Undisclosed at the present time.
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	When considering business activities in Asia, where there are numerous cases of human rights violations, the Group will conduct corporate human rights due diligence in the area using checklists to confirm whether there are any issues such as forced evictions. The results will be used in decision-making when participating in business activities. These checks are performed based on the concept of Free, Prior and Informed Consent (FPIC), with special attention given to women, children, the elderly, indigenous people, migrants, ethnic and tribal minorities, and other socially-vulnerable individuals and groups particularly susceptible to human rights violations.
GRI 412: Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	→ Sustainability Activities (ESG) > Social > Human Rights Initiatives > Initiatives for Human Rights Due Diligence
	412-2	Employee training on human rights policies or procedures	→ Sustainability Activities (ESG) > Social > Human Rights Initiatives > Ongoing Human Rights Programs
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	→ Sustainability Activities (ESG) > Social > Human Rights Initiatives
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	→ Sustainability Activities (ESG) > Social > Social Contribution Activities / Support for Communities
	413-2	Operations with significant actual and potential negative impacts on local communities	Undisclosed at the present time.



GRI standards	Requirements		References
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	→ Sustainability Activities (ESG) > Social > Supply Chain Management > Notification in and outside of the Group on the Supplier Code of Conduct
	414-2	Negative social impacts in the supply chain and actions taken	→ Sustainability Activities (ESG) > Social > Supply Chain Management > Conducting Self-assessment Questionnaire (SAQ) on Suppliers with High Sustainability Risk
GRI 415: Public Policy 2016	415-1	Political contributions	Undisclosed at the present time.
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	→ Mitsubishi Estate Group 2030 Goals for SDGs > Key Theme 4: Resilience
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no major violations concerning health and safety in fiscal 2021.
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	→ Sustainability Activities (ESG) > Social > Enhancing Customer Satisfaction > Responsible Advertising Activities
	417-2	Incidents of non-compliance concerning product and service information and labeling	Not applicable
	417-3	Incidents of non-compliance concerning marketing communications	Not applicable
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	→ Sustainability Activities (ESG) > Governance > Risk Management
			→ Sustainability Activities (ESG) > ESG Data > G: Governance Data
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	→ Sustainability Activities (ESG) > Governance > Compliance
			→ Sustainability Activities (ESG) > ESG Data > G: Governance Data



INDEX

Information Disclosure in Accordance with the SASB Standards

Information Disclosure Based on SASB Standard

The SASB (Sustainability Accounting Standard Boards) Foundation was founded in 2011 as a not-for-profit with the mission to establish and maintain industry-specific standards that assist companies in disclosing financially material, decision-useful sustainability information to investors.

SASB has developed a set of 77 industry-specific standards (SASB Standard) since it was founded in 2011.

SASB standards can help investors by encouraging reporting that is comparable, consistent, and financially material, thereby enabling investors to make better investment and voting decisions.

FY2020 Information Disclosure Based on SASB Standard (PDF 259KB)

[PDF](#)

FY2019 Information Disclosure Based on SASB Standard (PDF 276KB)

[PDF](#)

FY2018 Information Disclosure Based on SASB Standard (PDF 176KB)

[PDF](#)



The back cover shows the award-winning works of art from the fiscal 2021 20th Kira Kira Art Competition held by Mitsubishi Estate for children with disabilities.