



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.



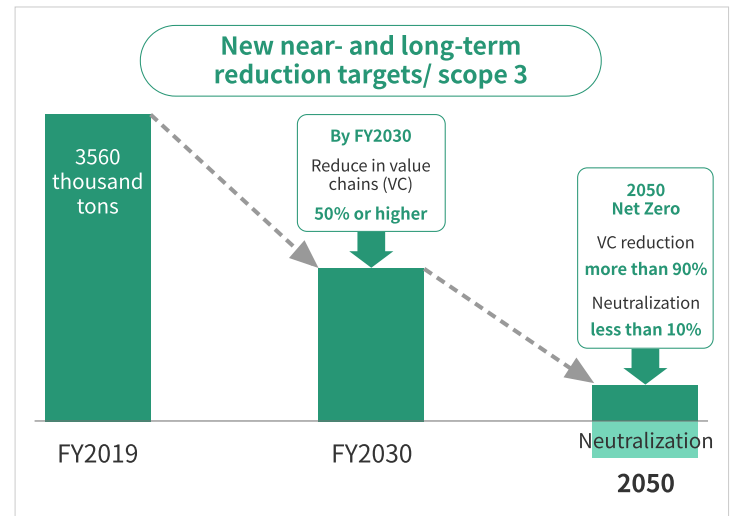
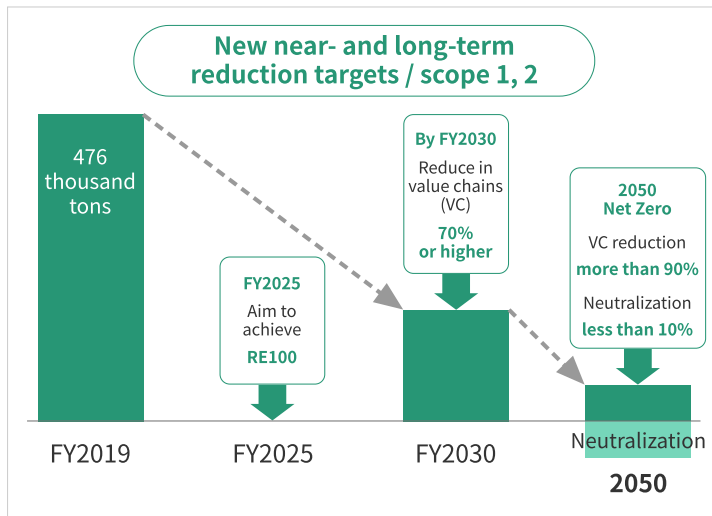
GHG Emissions Reduction Targets (revision in March 2022) (Targets approved by the SBT initiative in June 2022)

- 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

[READ MORE →](#)



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

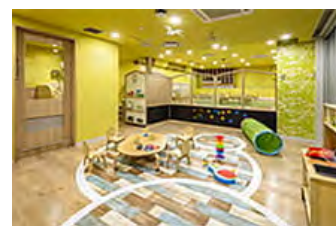
Inclu Marunouchi provides companies with a wide range of support services utilizing the Marunouchi area's convenience and sense of community, such as providing information on employment for disabled people, offering satellite offices staffed with support staff and providing consulting services. Mitsubishi 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.

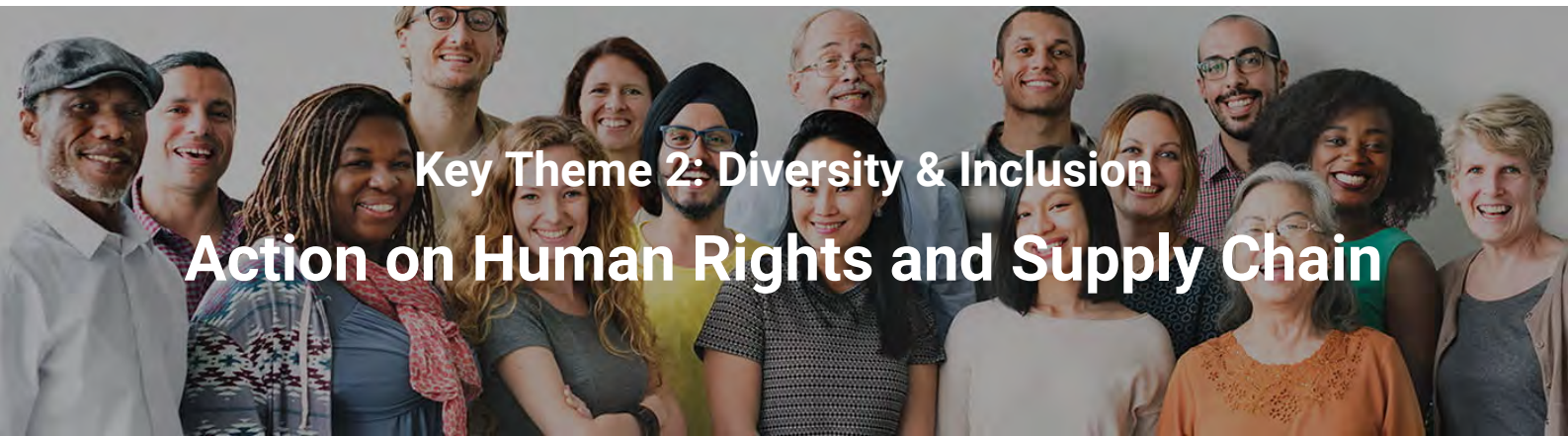


Braille Neue, a new style of braille that can be read with both the eyes and the fingers



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

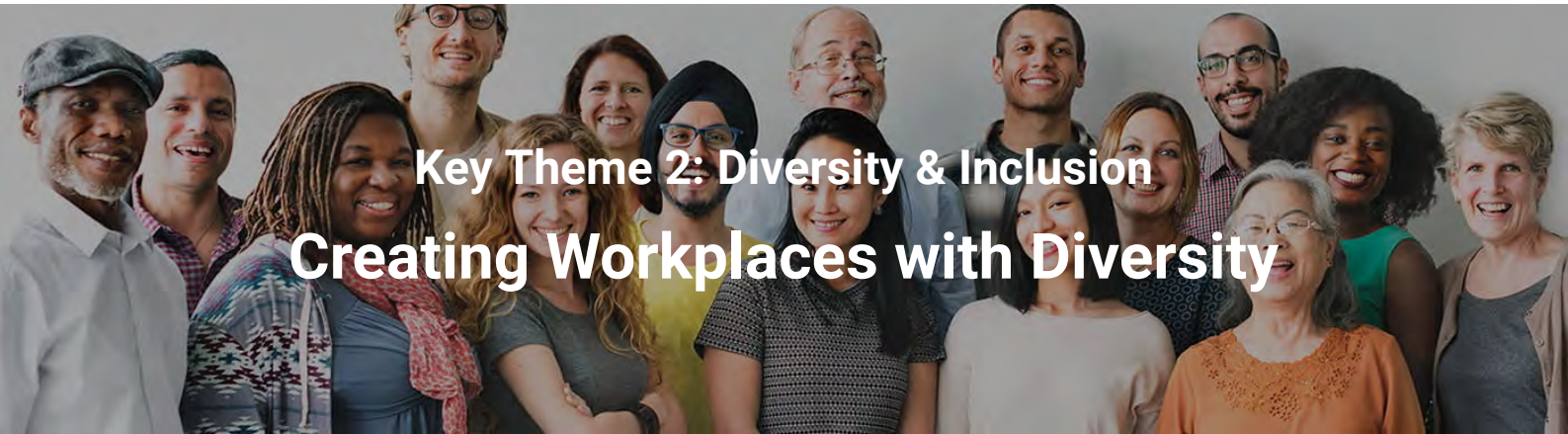
[Notification in and outside of the Group on the Supplier Code of Conduct](#)



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.

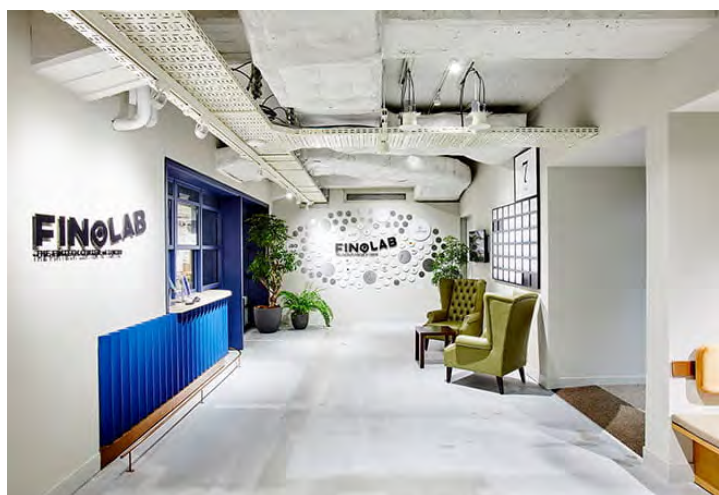


Lounge space

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

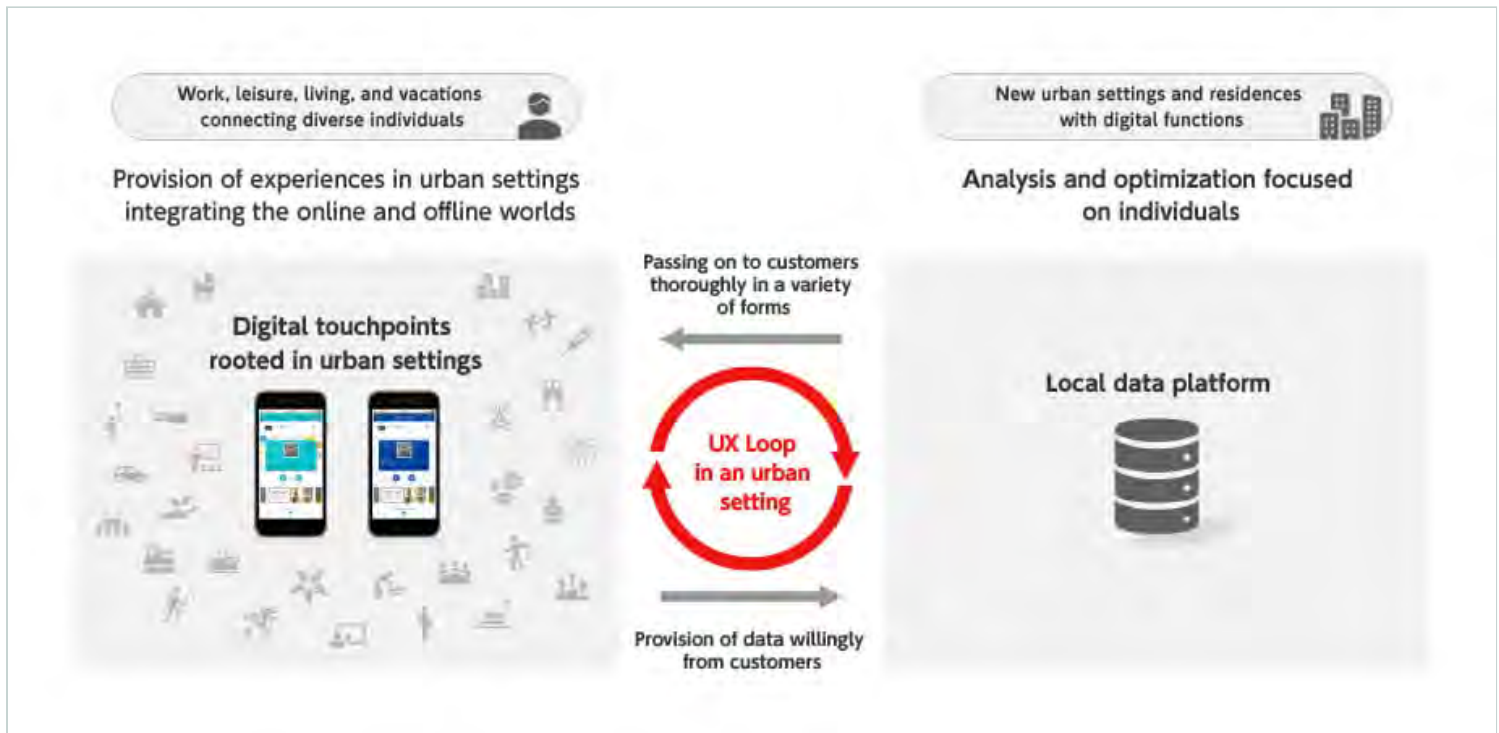
Formulation of Digital Vision

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.

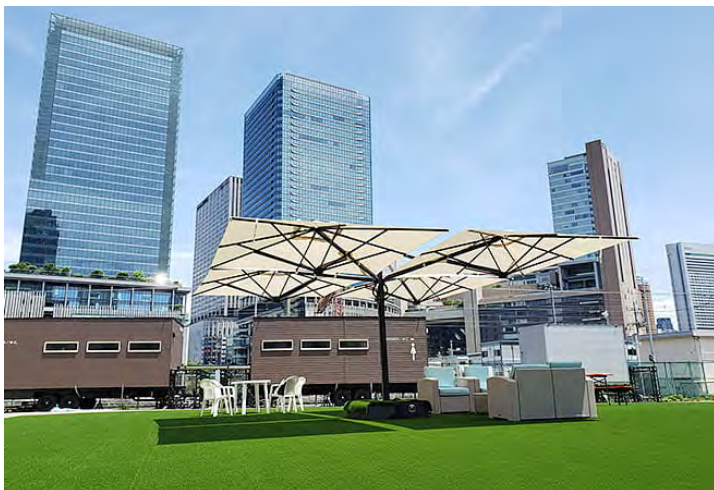
As part of the trial, Mitsubishi Estate and its partners will work on preparatory activities for park and area management to create a cutting-edge, attractive park area, which is the focus of the Umekita 2nd Project. We will also deepen our collaboration with diverse players with the aim of developing 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

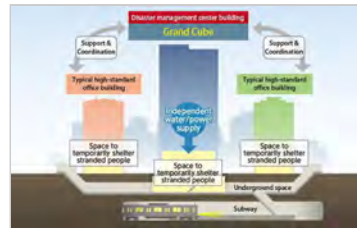
- Enhance disaster preparedness to minimize functional stagnation during disasters
- Enhance BCP function through hardware measures and strengthen neighborhood communication

OUR ACTION



Establishment of Disaster Preparedness and Mitigation Framework

[READ MORE →](#)



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.

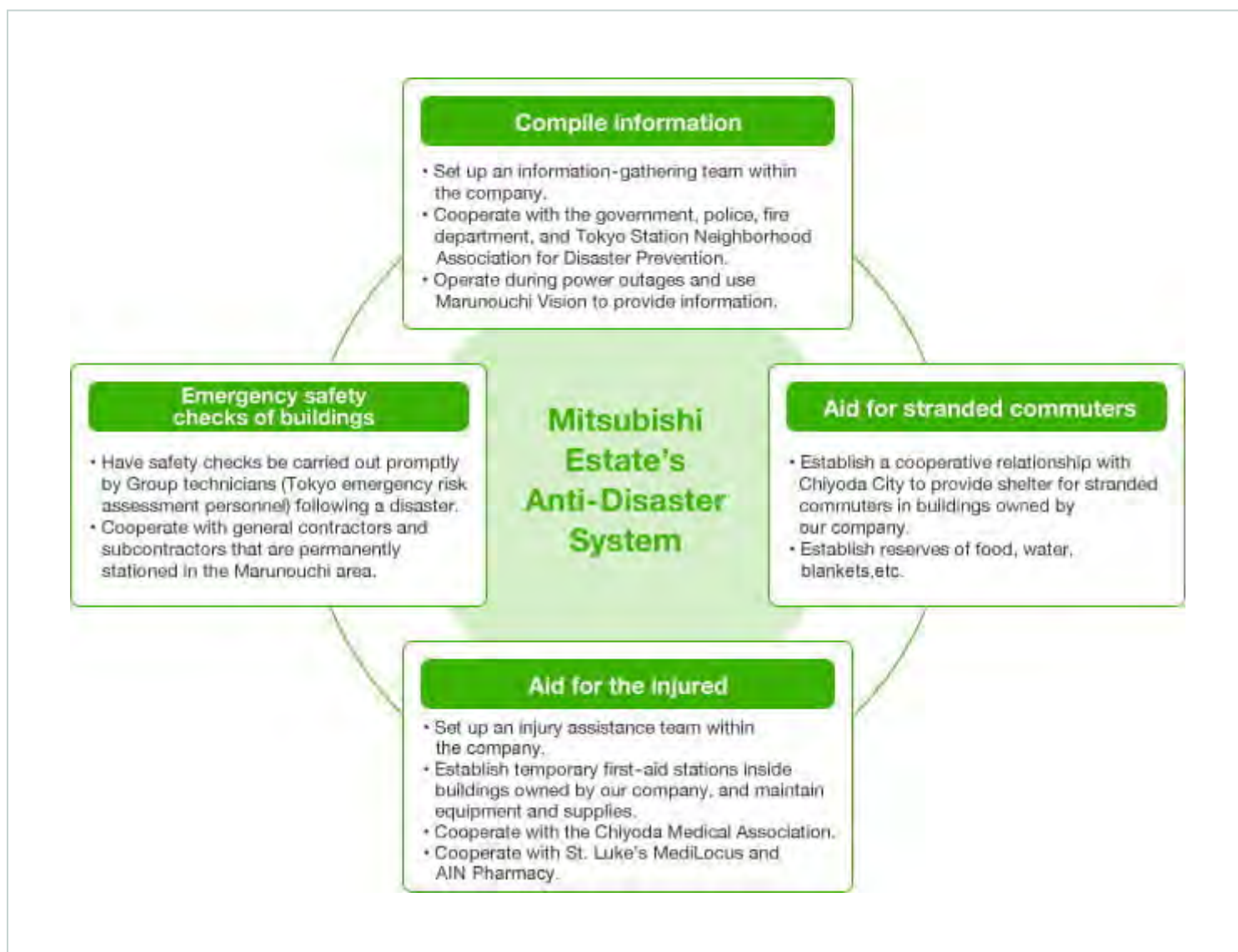
See the following for the number of buildings that have been designated as temporary shelters for stranded commuters.

[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

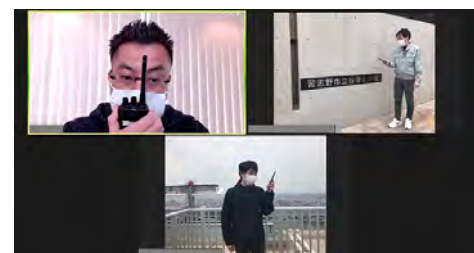
In March 2022, Mitsubishi Estate Residence Co., Ltd., and Mitsubishi Estate Community Co., Ltd., implemented online disaster response drills in the Tsudanuma area in Chiba Prefecture.

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



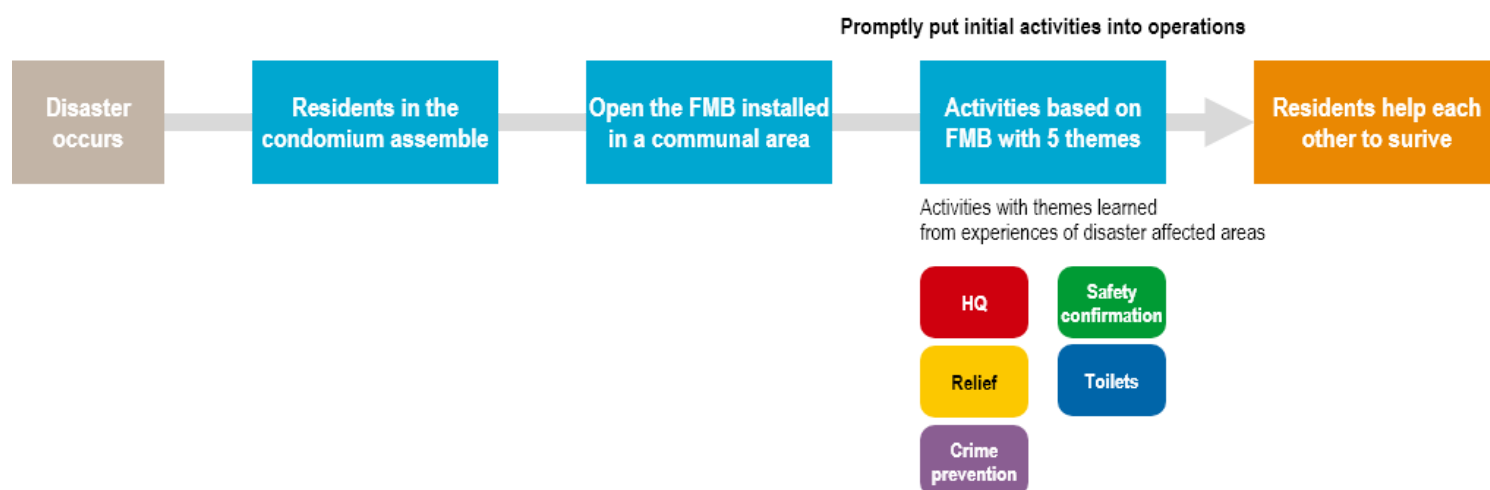
New Disaster Preparedness Initiatives in Condominiums for Lease

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.

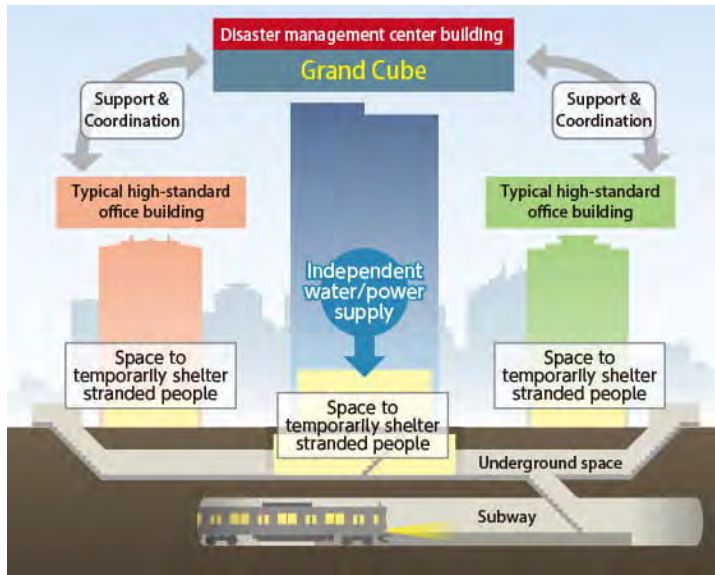


Details on functions for BCP and the safety, security and BCP of Mitsubishi Estate's office buildings are shown in the pages below.

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