



MITSUBISHI ESTATE GROUP 2030 GOALS FOR SDGs

In Long-Term Management Plan 2030, the Mitsubishi Estate Group declared its aim to address current and emerging social issues through its business activities under management targets focused on strategies for increasing both social and shareholder value to realize a sustainable society. Efforts toward this goal began in 2018 with the formation of a Groupwide working group, which anticipated changes in the Group's operating environment to identify seven material issues. Based on these issues, we established the Mitsubishi Estate Group 2030 Goals for the SDGs, which set out four key themes as the social issues that the Group must focus on in particular. At the same time, we established Mitsubishi Estate Group Sustainability Vision 2050 (Be the Ecosystem Engineers) with a title expressing the Group's vision for realizing a sustainable society based on a long-term outlook essential for urban development. We have positioned the Mitsubishi Estate Group 2030 Goals for the SDGs as a milestone establishing specific themes and actions for realizing our 2050 vision. The Mitsubishi Estate Group will aim to achieve ongoing growth and create a truly meaningful society through sincere efforts to address social issues.

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.

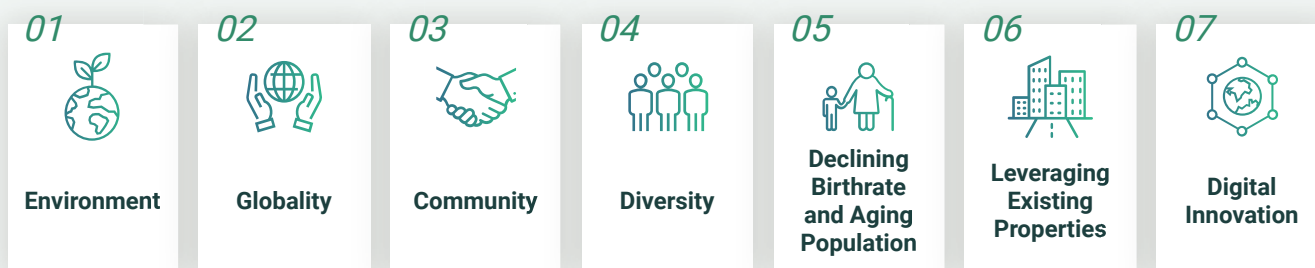
→ [The Mitsubishi Estate Group Sustainability Vision 2050 Video](#)

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**.



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



→ [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**.

* Our materiality assessment results are signed off by Board of Directors.

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.

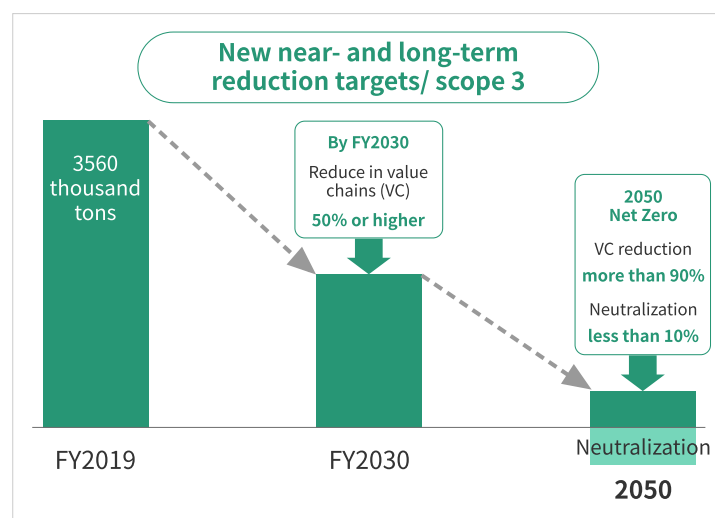
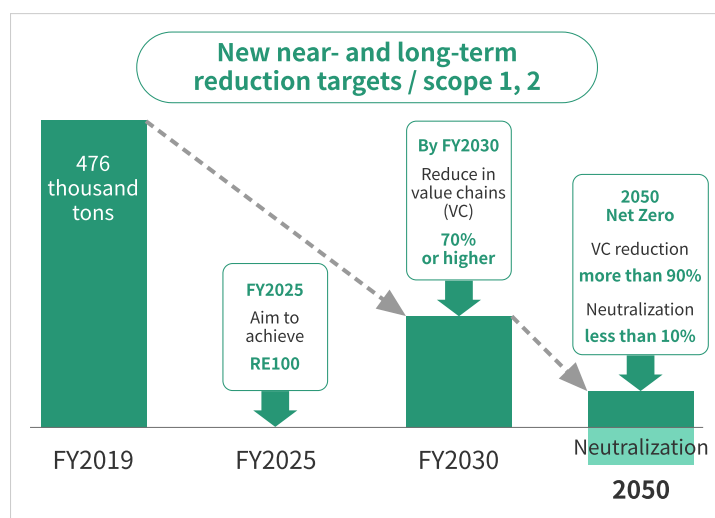


GHG Emissions Reduction Targets (revision in March 2022) (Targets approved by the SBT initiative in June 2022)

- 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.

Accelerating the Transition to Renewable Energy Sources to Achieve RE100

The Mitsubishi Estate Group has been actively introducing renewable energy since FY2021 to achieve RE100. In FY2022, the rate of renewable electricity reached approximately 50% as a result of transitioning to electricity derived from renewable sources at almost all of the approximately 50 Company owned office buildings and commercial facilities ^{*1} located in Tokyo and Yokohama, as well as Company-owned buildings and facilities in Hiroshima and Sendai. 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 are effectively 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.

See the following for the list of building introducing renewable energy.

List of Buildings introducing Renewable Energy



Promoting ZEB and ZEH in New Buildings and Rental Apartments to Reduce Environmental Impact

Mitsubishi Estate acquired its first ZEB Ready (office category) certification for a high-rise tenant office building, tentatively called the Uchi-Kanda 1-chome Project, which is scheduled for completion at the end of November 2025.

The energy conservation measures employed in this project are tested at the Group's headquarters to ensure they are energy efficient and facilitate a comfortable environment. Starting with this property, the Group aims to achieve high environmental performance in line with ZEB requirements for all new buildings to be developed.

Furthermore, in February 2023 Mitsubishi Estate Residence started construction on (tentative name) the Osaka Abeno Showa-cho 3-chome Project, ^{*1} the first rental apartment building in the Kansai region to meet ZEH standards. In

addition to meeting ZEH-M Oriented standards, the apartment building will use solar panels to generate electricity used in communal areas. These initiatives are part of Mitsubishi Estate Residence's goal to meet or exceed the ZEH-M Oriented Standard in new condominiums and new rental apartments under its CO2 emissions reduction strategies (formulated in January 2022). The entire Group will work together to reduce the environmental impact of its buildings and to provide new value.



(Tentative name) Uchi-Kanda
1-chome Project



(Tentative name) Osaka Abeno
Showa-cho 3-chome Project

^{*1} This project falls under a basic agreement and general planning subcontracting agreement between ENEOS Corporation and Mitsubishi Estate Residence. The scheme designates ENEOS as the primary owner, while Mitsubishi Estate Residence is responsible for the project's design and other specifications as the general planner.

Developing Logistics Facilities That Proactively Advance Initiatives for Reducing Environmental Impact

Mitsubishi Estate has adopted a general policy for the Logicross series of obtaining Building-Housing EnergyEfficiency Labelling System (BELS)* certification for all logistics facilities since the November 2020 development of Logicross Ebina. Completed in November 2022, Logicross Osaka Katano obtained a five-star rating, the highest under the BELS certification system. In addition, Logicross Zama Komatsubara, completed in March 2022, obtained Zero Energy Building (ZEB) certification, a first for Mitsubishi Estate, by utilizing an in-house consumption scheme using electricity generated at the facility through solar panels.

* A system established by the Ministry of Land, Infrastructure, Transport and Tourism to label energy-efficiency performance of new and existing buildings.



Logicross Zama Komatsubara

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 (the Otemachi, Marunouchi, and Yurakucho districts).

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)

PDF

Initiatives in Collaboration with Tenants and Other Parties

Circular City Marunouchi

- An Urban Environment for Resource Recycling

As the third step in Circular City Marunouchi, an initiative aimed at 100% waste recycling with a focus on recycling of resources in the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts), the Mitsubishi Estate Group is taking part in a business to recycle waste cooking oil used in restaurants in the Marunouchi area into sustainable aviation fuel (SAF) in the first business of its kind for a comprehensive real estate company. SAF is a fuel with non-fossil fuel feedstock. If 100% of the feedstock were to be waste cooking oil, CO₂ emissions throughout the value chain would be reduced by approximately 80% compared with conventional aviation fuel. The Group also started recycling of waste cooking oil into biodiesel fuel in March 2023. The biodiesel is used to fuel the trucks that collect the waste cooking oil. In the future, together with the use of SAF, Mitsubishi Estate will further develop programs for circular utilization of fuel in the Marunouchi area.

Step 1: The “Marunouchi to Go Project”

This is a project conducted in cooperation with restaurants in the Marunouchi area 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).

Step 2: The Bottle to Bottle Recycle Circulation Program

A project 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 recycle them into new 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.

* Research by Mitsubishi Estate

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®.

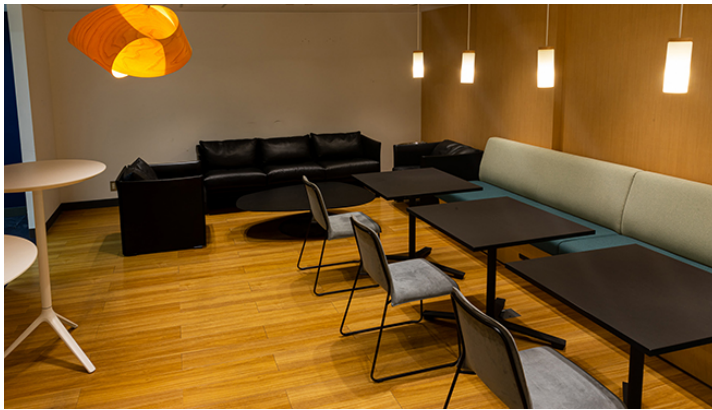


GOTEMBA PREMIUM OUTLETS®

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, where it is displayed for sale as used furniture. The company is working to expand this business, including the opening of the second showroom in Ikebukuro this spring.

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 Expand Use of Japan-grown Timber

Japan's forests account for some two-thirds of the country's land mass, with 40% being planted forests. More than half of these planted forests are five decades old or more, having reached their harvestable age. Expanding the harvesting and use of timber sourced from these forests not only helps promote Japanese forestry, which is facing the challenges of appropriate forest conservation and shortage of workers in the industry, but also contributes to the cycle of Japan's forestry resources, including helping to reduce CO2 emissions by fixing carbon in urban areas. Therefore, the Mitsubishi Estate Group has set out a goal to promote sustainable timber use and is promoting the utilization of Japan-grown timber and certified timber.

Developing Various Initiatives to Bring Out the Value of Wood

The Mitsubishi Estate Group is promoting a switch to the use of timber construction and wood in its business activities from the perspective of sustainability. At Japan Wood Design Award 2022 (organized by Japan Wood Design Association), seven projects by six group companies, including Mitsubishi Estate Co., Ltd., won awards. The MOKUWELL HOUSE, Japan's first purely wooden prefabricated residence using cross-laminated timber (CLT)* produced by MEC Industry received the Grand Prize (the Minister of Agriculture, Forestry and Fisheries Award).

Also, in October 2022, KIDZUKI, a platform for promoting a switch to the use of timber construction and wood developed by Mitsubishi Estate Home concluded an agreement on initiatives leveraging wood with Tamagawa Academy & University. Going forward, there will be deeper cooperation from the standpoint of environmental education to contribute to creating value for wood and solving environmental and social issues. While displaying synergies among Group companies, we will advance initiatives that utilize the appeal of wood with the aim of promoting the use of timber construction and wood in the cities of the future.

* CLT consists of wooden panels formed by laminating layers of 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 to large-scale structures such as condominiums and office buildings in addition to low-rise detached housing.



MOKUWELL HOUSE exterior



CLT manufactured at MEC Industry's own plant

MEC Industry Aiming to Achieve an Appropriate Forest Cycle

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

MEC Industry has its own plant in Yusui, Kagoshima Prefecture, which serves as a production site to make use of Japan-grown timber.

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. Moreover, the use of wood as a construction material, and particularly as the main structural material, reduces the use of steel and concrete and thereby enables the reduction of greenhouse gas emissions during construction, while making it possible to recycle materials when a building is eventually dismantled. MEC Industry is also working to reduce waste at its own plant through the use of wood scraps generated in manufacturing processes as a heat source for boilers and other measures.

In February 2023, MEC Industry and Yusui concluded an agreement on assistance and cooperation in the event of a disaster. If an earthquake, storm, flood, or other disaster occurs or is likely to occur in Yusui, MEC Industry will endeavor to ensure the safety of the people of Yusui by providing an evacuation site and building and supplying temporary emergency housing among other measures.

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	Risks
<ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● 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**

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**Initiatives to Address
Globalization**

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**Action on Human Rights and
Supply Chain**

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**Creating Workplaces with
Diversity**

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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



Initiative on Well-Being

The Marunouchi Infirmary was created based on input from working women. Helping address health issues that specifically affect the physical and mental well-being of women, including pre-menstrual stress, pregnancy, childbirth, and menopause, the infirmary conducts activities to enhance health literacy to increase understanding in the workplace and among women and provide health support. Through these activities, Mitsubishi Estate will promote well-being in its urban development, not only by itself but together with other companies that endorse its efforts, to realize a women-friendly work environment and culture so as to expand choices for working women at various life stages.

Examples of Initiatives: 1 Supporting Better Health Literacy in the Marunouchi Area

The Online Marunouchi infirmary holds online seminars for men and women to learn about women's healthcare and related matters to promote mutual understanding. It has also established a contact point for consultations and counseling. In these ways, the Online Marunouchi infirmary extensively promotes health support through Marunouchi-based companies and for general visitors to the area.



Examples of Initiatives: 2 Visualizing Working Women's Health Issues Faced by Companies

Working Women's Health Scores* is a measure using data to visualize women's health, working environments, and other conditions by 14 companies centered on the Marunouchi area in cooperation with Femmes Medicaux, which offers consulting on women's healthcare, including on addressing the Health issues of modern women, and Mitsubishi Estate.

Mitsubishi Estate and Femmes Medicaux plan to extensively promote a service identifying issues based on the health scores of women, which will use the scores to highlight issues faced by working women at participating companies.



A large-scale, hands-on wellness event
(Marunouchi Building, first floor, Maru Cube)

* With the cooperation of Kanagawa University of Human Services, we developed survey categories based on an epidemiological survey. Approximately 3,400 women responded to the survey through the personnel departments of the 14 companies.

Marunouchi infirmary (Japanese only)



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.



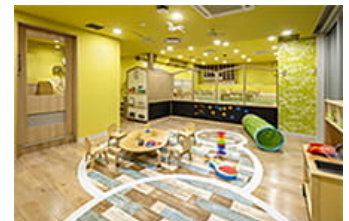
Bright entrance of Inclu Marunouchi

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

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



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






Assessment of Human Rights and Environmental Risks Associated with Construction Materials

In FY2022, Mitsubishi Estate assessed human rights and environmental risks associated with each of the construction materials used at its construction sites. Identifying the materials used in each of more than 20 varieties of construction materials with the highest weight ratios used at our construction sites, we checked the principal places of production and importing countries of 18 staple materials and determined related human rights and environmental risks. We plan to examine countermeasures regarding construction Material risks to focus on in the future.

Assessment of Human Rights Risks Associated with Technology

The Company has set out the Mitsubishi Estate Digital Vision, which aims to promote new urban development that allows people to experience convenient living environments through digital transformation (DX). In FY2022, we identified and assessed the actual and potential impact on human rights of services and products related to technology for realizing our vision based on a human rights assessment process to promote business activities with consideration for human rights. We will explore appropriate countermeasures for preventing and mitigating human-rights risks.



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:

- FY2023: 7.3% (as of April 1, 2023); FY2022: 7.2% (as of April 1, 2022)

● 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:

- 100% every year until FY2030

● Results:

- FY2022: 11.0.6%; FY2021: 75.5%;

● 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:

- FY2022: 100%; FY2021: 98.7%

● 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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**Promoting Real Estate
Digital Transformation (DX)
Leveraging the Latest
Technologies**

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**Creating Innovation through
Collaborations and Alliances**

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Key Theme 3: Innovation Operating Incubation Offices

Creating Innovation through the Operation of Incubation Offices

Mitsubishi Estate has been establishing organizations to assist venture companies since 2000 and develops and operates business support facilities for growing companies from Japan and overseas, mainly in the Marunouchi area (the Otemachi, Marunouchi and Yurakucho districts). Mitsubishi Estate supports the growth of start-up companies in ways that are both tangible (creating venues to congregate and interact) and intangible (promoting interaction).

EGG, an Innovation Ecosystem Hub

EGG was relaunched in December 2022 with a change of name, a floor expansion and refurbishment, and rebranding. Since 2007, EGG has operated as a business site for growing companies from Japan and overseas. Through this recent renewal, the aim is to further increase the concentration of growing companies from Japan and overseas and enhance the value added of the area as a neighborhood overflowing with opportunities for collaborations and co-creation between companies promoting new technologies and business, in addition to helping to increase Japan's competitiveness.



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.



Shared space

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.

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.

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



Terrace Lounge

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

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

Located on a floor of the TOKYO TORCH (Tokiwabashi Project in front of Tokyo Station), TOKIWA BRIDGE is a serviced office center for start-ups that launched in January 2022. 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 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.



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.

See the following website for more details about each facility.

[Mitsubishi Estate Office Information](#)



Key Theme 3: Innovation

Promoting Real Estate Digital Transformation (DX) Leveraging the Latest Technologies

Formulation of Digital Vision

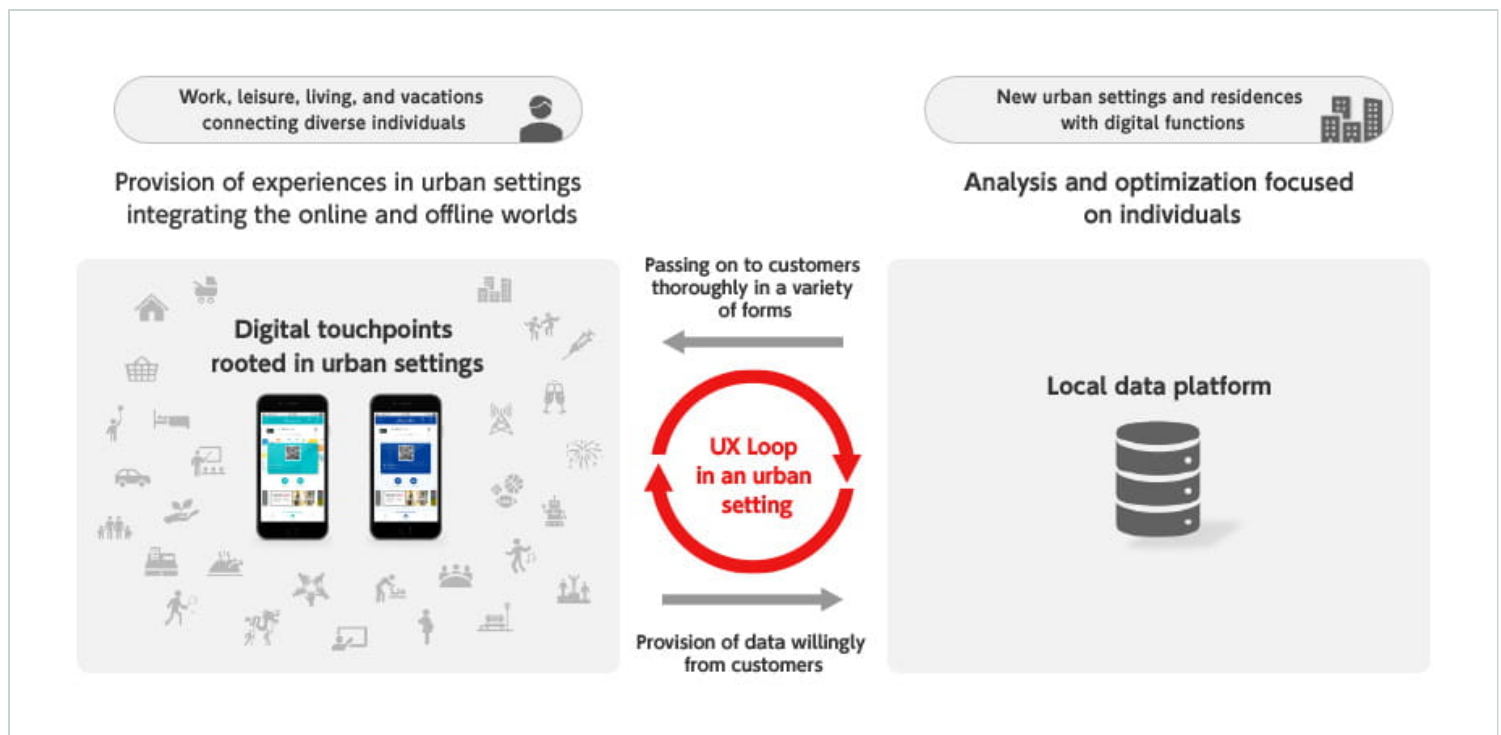
In June 2021, we formulated the Mitsubishi Estate Digital Vision, a concept that aims to leverage digital transformation to create urban environments allowing ordinary citizens to enjoy comfortable living. Under this vision, the Group will develop environments that allow users to enjoy experiences in 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. Twenty-three services both inside and outside the Group are linked with this ID as of July 1, 2023. 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 has been selected for inclusion as one of the Noteworthy DX Companies 2023 by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

[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



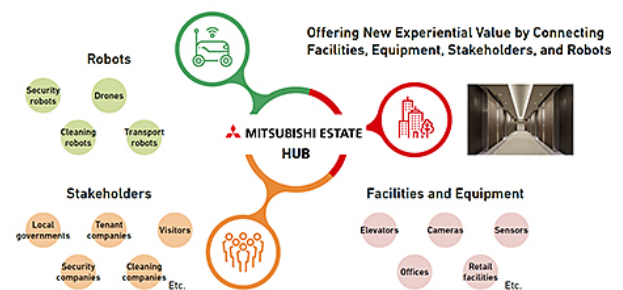
Primary Initiatives Promoting Next-Generation Services Utilizing Robots

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



Establishment of Digital Transformation Human Resources Development Program MEDiA (MEC Digital Academy)

In order to achieve the Mitsubishi Estate Digital Vision which aims for new lifestyles and urban environments that fuse offline and online worlds, Mitsubishi Estate established MEDiA (MEC Digital Academy), a digital transformation human resources development program for all employees, including those of Group companies (approximately 10,000 people) in October 2022.

In addition to revising eligibility and content for training related to the digital field conducted in the past, we introduced Udemy Business online training content, which helps to upgrade the digital literacy of all Group employees. In addition, we established new advanced programs that match the different skill levels of individual employees with the aim of providing a better user experience (UX) in each business area and increasing the precision of business and management decisions through advanced analysis and use of data.

HOMETACT, a Comprehensive Smart Home Service Aimed at Helping to Reduce CO₂ through HEMS Support

Leveraging its knowledge as a comprehensive real estate developer, Mitsubishi Estate has developed HOMETACT*, its own smart home service which is easy to introduce in the Japanese home environment and is being adopted in The Park Habio series of rental condominiums by Mitsubishi Estate Residence. We are also working to provide the service outside of the Group.

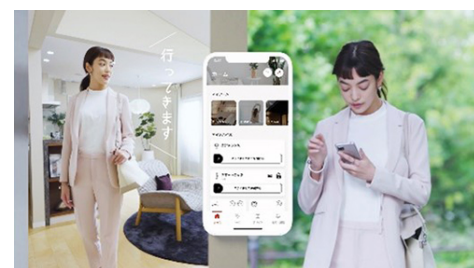
The company has worked to leverage digital transformation in the area of real estate management, such as unattended property viewings and package drops using smart locks and face authentication systems. In addition, we have agreed to a partnership with LIXIL Corporation and mui Lab, Inc. in the energy management field to undertake joint development of home energy management system (HEMS) to help reduce CO₂.

The partnership will not only significantly expand the range of household devices that can be linked, but by developing an interface that will allow households to understand the amount of energy they use intuitively, will also increase user awareness of conserving energy and provide support for an environmentally-conscious lifestyle. The ecosystem is continuing to expand through partnerships with more than 20 companies already.

* HOMETACT is a comprehensive smart home service that enables control of a wide range of IoT devices across multiple manufacturers, including air conditioning, televisions, lighting, and curtains, using a smartphone app and smart speakers. With the implementation of HEMS functions, it is evolving into an energy saving solution.

三菱地所の総合スマートホームサービス

HOMETACT





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 has established five SDG-related action themes (ACT5), which are sustainable food, the environment, well-being for people and society, diversity & inclusion, and communication. The objective of the project is to nurture communities of individuals that want to take action on social issues and create opportunities for driving social innovation. 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 addition, the project has developed ACT5 Members' Points, an app designed to encourage individuals to switch up their recycling habits and to analyze participant attributes and trends. With cooperation from many retailers in the Otemachi, Marunouchi, and Yurakucho area, the app creates opportunities for participants to take part in action to address the SDGs throughout the area, such as earning points for using their own cups and collecting old clothing. Accumulated points can be exchanged for sustainable products or donated to organizations that contribute to achieving the SDGs, with the aim of creating a virtuous cycle triggering the next action in this area.

Fiscal 2022 Results

- Number of actions: Implemented 63 actions linked to ACT5

Examples of actions

ACT1 Sustainable food: "SUSTABLE 2022 - Dishes to Change the Future -"

ACT2 Environment: "Re;Post" old clothing collection project

ACT3 Well-being: "Charity Walking" to encourage donations while walking to improve health

ACT4 Diversity & Inclusion: E&J: D&I training community for human resources and D&I promotion staff

ACT5 Communication: "OMY SDGs Film Festival 2022," a collection of films with SDGs-related themes

- Number of partner companies and groups: Realized partnerships with 84 companies and groups

- Participants: A total of 16,168 people (cumulative three-year total of 35,000 people) had opportunities to learn and think about social issues from a variety of angles and take action.

See the OMY SDGs ACT5 Action Report for more details (Japanese only).

Action Report 2022 (Japanese only)

PDF

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

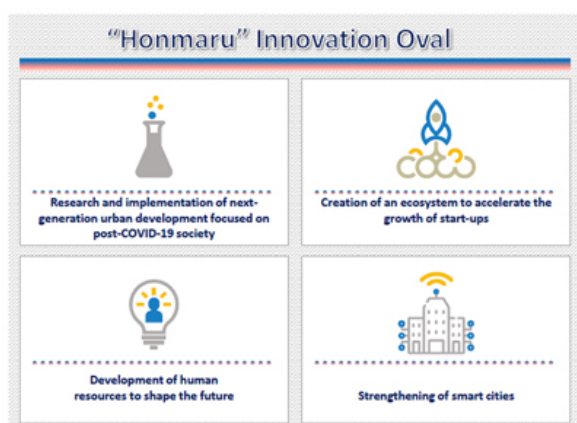
OMY SDGs ACT5 (Japanese only)



Strengthening Industry-Academia Collaboration to Address a Diverse Array of Social Issues

Mitsubishi Estate is strengthening industry—academia collaboration to address multilayered social issues. In October 2022, we concluded a decade—long industry—academia agreement with Tokyo University, resulting in the launch of the MEC-UTokyo-Lab. Defining the area from Tokyo University's principal base in Hongo to Otemachi, Marunouchi, and Yurakucho, where Mitsubishi Estate promotes urban development, as the “Honmaru” area, we are advancing joint research, field trials, and collaborations with startups in the area.

In December 2022, we concluded a comprehensive partnership agreement with Tokyo University of the Arts. By enhancing the creativity of companies and individuals in the Otemachi, Marunouchi, and Yurakucho areas through the power of art, we will facilitate the creation of business ideas and new industries. In addition, we entered into a joint research contract with Hitotsubashi University in March 2023 on creating value for spaces in a data-driven society. With this, we will help resolve social issues through open innovation by strengthening cooperation with the faculty and graduate school of social data science, established in FY2023.



Overview of industry-academia collaboration with Tokyo University

Hitotsubashi University's East Main Building (a registered tangible cultural asset), which is due for renovation into an incubation and exchange hub



Supporting the Creation of Communities for Spurring Innovation in the Marunouchi Area

Mitsubishi Estate is bolstering initiatives to spur open innovation in the Marunouchi area (Otemachi, Marunouchi, and Yurakucho). The M Cube, operated by Mitsubishi Estate, is an open innovation community with a focus on start-ups. With EGG, formerly named EGG JAPAN an innovation hub in the Shin-Marunouchi Building acting as its base, the M Cube supports business development by offering a place for companies to meet through events and activities. Together with the Tokyo Marunouchi Innovation Platform, which is operated by the Association for Creating Sustainability in Urban Development of the Otemachi, Marunouchi, and Yurakucho Districts (the Ecozzeria Association), the M Cube has launched MiiTs, a community creating opportunities for collaboration among major companies and start-ups. In these ways, the M Cube aims to spur innovation by consolidating know-how on new technologies while leveraging the networks and assets it has accumulated.



EGG

See the following dedicated website for The M Cube, TMIP, and MiiTS.

The M Cube



TMIP



MiiTS



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.

Mitsubishi Estate 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. The company also runs programs such as the Mitsubishi Estate Innovation Challenge (MEIC), soliciting new business proposals from employees.

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.

Investing in Start-Ups Taking on the Challenge of Social Contributions over the Medium to Long Term

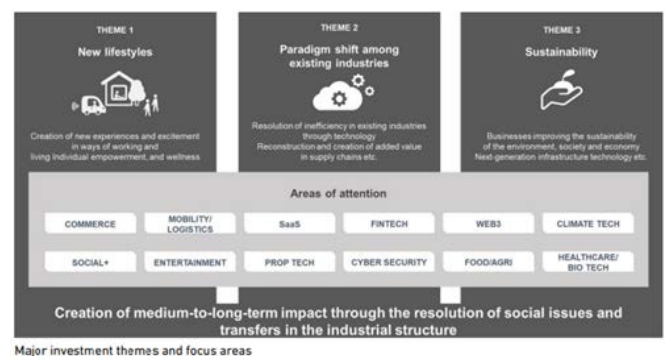
BRICKS FUND TOKYO by Mitsubishi Estate

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.

As of July 2023: 9 investees



BRICKS FUND TOKYO (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	Risks
<ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● 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

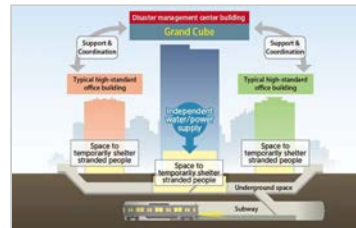
- Enhance disaster preparedness to minimize functional stagnation during disasters
- Enhance BCP function through hardware measures and strengthen neighborhood communication

OUR ACTION



Establishment of Disaster Preparedness and Mitigation Framework

[READ MORE →](#)



Initiatives to Enhance Disaster Preparedness in Buildings

[READ MORE →](#)



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.

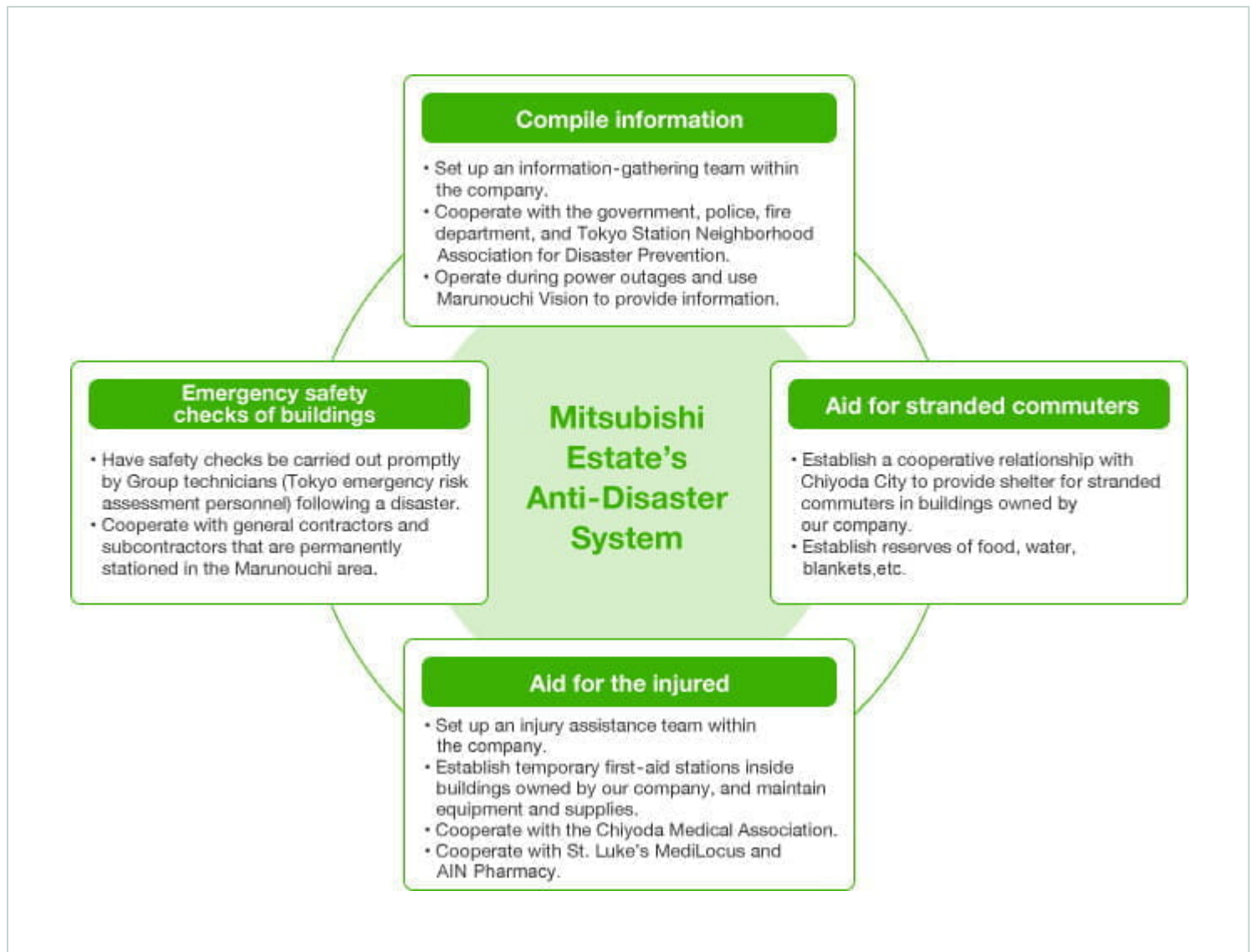
In 2012 the company formed an agreement with the Chiyoda-ku government to receive stranded commuters in the event of a large-scale disaster.

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.

Fiscal 2022 marked the 96th drill, with emergency drills held for the first time since 2019, and the exercises included joint drills with the Chiyoda Medical Association and local fire station.

Given that telecommuting has become widespread, we reviewed the emergency disaster framework for confirming the safety of employees and implementing emergency activities on site assuming a limited number of employees who can help during a disaster (50% reduction). We also implemented drills taking in stranded commuters and setting up temporary first aid stations at nearly 40 properties simultaneously across the country. Also, since 2021, Mitsubishi Estate has been installing a next-generation camera system that can collectively control and manage camera images in the Marunouchi area. To verify wide area safety management methods during disasters, images were streamed from buildings where the cameras were installed to the emergency management headquarters to gather information. At the same time, the first large-scale fire drill was conducted at the Tokiwabashi Tower, which was completed in June 2021. The series of firefighting exercises was held in collaboration with the local fire station and fire brigade, and included rescue drills using fire trucks with ladders and an exercise during which multiple fire trucks simultaneously sprayed water.

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.

Area Disaster Preparedness Initiative: Verification Tests of Disaster Dashboard Beta+

Mitsubishi Estate continuously takes steps in preparation for a potential disaster in the Marunouchi area (Otemachi, Marunouchi, and Yurakucho). Between December 2022 and February 2023, the Company implemented verification tests of Disaster Dashboard Beta+, a platform for sharing information among disaster-response agencies and providing information to stranded commuters through public private cooperation with Chiyoda Ward. For these tests, we made a prototype of a digital map displaying the locations of evacuation areas, buildings designated as shelters for stranded commuters, and a disaster hub hospital. Certain facilities in Chiyoda Ward and other entities would share information under a scenario that would provide information during a disaster to stranded commuters through a QR code available inside train stations and other locations. Along with the digital signage and website versions of the map, we are building the forthcoming disaster dashboard with Chiyoda Ward. We also conducted verification tests with Chiyoda Ward to check the usefulness of a system for collecting, arranging, and streaming a live-camera feed during a disaster. In these ways, we continuously contribute to the promotion of safety and security, which includes establishing the functions of next-generation disaster-preparedness centers to cope with an inland earthquake and other disasters in Tokyo and fulfilling the functions of a smart city.



Example of a verification test streaming a live-camera feed

Initiatives by Mitsubishi Estate Residence

Strengthening Systems for Local Disaster Preparedness and Mutual Assistance in Preparation for a Major Disaster

Given the absence of management associations or disaster preparedness plans at its rental apartments, Mitsubishi Estate Residence proposed disaster preparedness initiatives at The Parkhabio Nakano Fujimicho Garden. Mitsubishi Estate Residence provides support through infrastructure and non-infrastructure measures, including the creation of a First Mission Box® containing an instruction card to ensure residents act quickly and confidently during a disaster and the installation of a system for storing and using surplus electricity generated using solar power generators. In addition, in February 2023, Mitsubishi Estate Residence and Mitsubishi Estate Community conducted the first joint disaster prevention drills at the two residences that comprise The Park House Harumi Towers in cooperation with the management association and residents' association. We will promote disaster-resilient urban development by strengthening systems for local disaster preparedness and mutual assistance.



Disaster prevention drill

Holding Environmental and Disaster Preparedness Education for Elementary School Students in Condominiums for Sale

On October 23, 2022, Mitsubishi Estate Residence and the Tokyo Metropolitan Government Bureau of Environment jointly held an event for parents and children called "Experience a House that Halves Energy Consumption through Energy Saving and Solar Power Generation." The event was held at The Park House Shin Urayasu Marine Villa, newly built condominiums for sale that meet the ZEH-M Ready standard. The aim of the event was to consider and take action with children to reduce CO2 emissions in homes and to prepare for natural disasters, which are increasing due to global warming. The Tokyo Metropolitan Government has selected Mitsubishi Estate Residence as a business for "CO2 reduction action (zero emissions action) movement — A sustainable society created by consumers and businesses," and this event formed part of these activities. Mitsubishi Estate Residence will continue to focus its efforts to create even more opportunities for children who are the next generation to learn about sustainability.

Disaster Resilient Urban Development Leveraging Collaboration Between Industry 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.

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 November 2022 and again in May 2023, Craft Market @ Kyorin University was held at the university's Inokashira Campus. With the aim of creating a resilient community, the market offered a range of fun programs designed to foster disaster preparedness, including, among many other choices, a workshop using Sonaeru Drill, a tool for parents and children to think about disaster preparedness together. Industry, government, and academia collaborated in order to increase urban disaster preparedness and created an opportunity for local residents to consider preparedness.


Going forward, we will collaborate and cooperate with various industries through disaster preparedness and sustainability initiatives to realize resilient communities and urban development in a sustainable society.



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.



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.

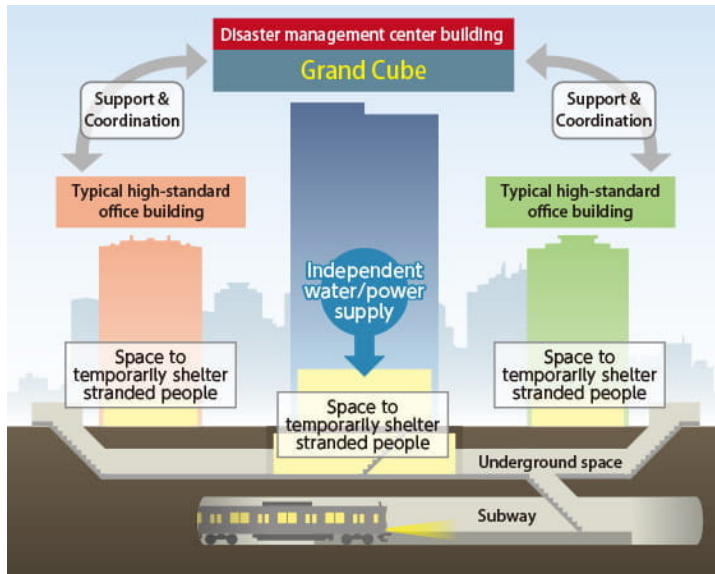
As a result of these efforts, Grand Cube was designated a disaster response base by the Council for Area Development and Management of Otemachi, Marunouchi, and Yurakucho, and it will take an important role in improving disaster resilience for the area overall.

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.

Conducting Verification Tests for a Rain Garden, Green Infrastructure on Marunouchi Naka-dori Avenue

Mitsubishi Estate conducted verification tests for a rain garden in a portion of roadside greenbelts on Marunouchi Naka-dori Avenue over a six-month period from May 2022 to October 2022 as a green infrastructure initiative for the Marunouchi area (Otemachi, Marunouchi, and Yurakucho). We simultaneously conducted research on six issues, including permeability, water-retention capacity, the growth conditions of plants, and the effect of landscaping, to examine the possibility of establishing a rain garden in the area. As a result, we confirmed a rain garden could be expected to be effective in various ways, such as minimizing road flooding during torrential rainfall, with the rain garden's greenbelts temporarily storing rainwater to delay it flowing into drainpipes. Following discussions with the relevant parties, we decided to leave the rain garden in place after the tests were completed. We intend to ensure it also helps the area prepare for and minimize damage from natural disasters and mitigate the urban heat-island phenomenon.



A rain garden created