



MITSUBISHI ESTATE GROUP
Sustainability Report
2024

Mitsubishi Estate Group Sustainability Report 2024

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Mitsubishi Estate Group Sustainability Report 2024

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EDITORIAL POLICY

Editorial Policy




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

Under Long-term Management Plan 2030, the Mitsubishi Estate Group is working on management based on strategies to increase both social value and shareholder value. In terms of strategies to increase social value, the Group revised its key themes and material issues related to sustainability, which in May 2024 it announced together with a review of Long-term Management Plan 2030. With the introduction of newly established Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes, we intend to better relate the key themes with business activities and report on the Group's related initiatives. The report is organized under the environmental, social and governance-related (ESG) criteria to disclose policies, activity results and other details. Numerical data related to these activities is disclosed in the ESG Data, including data from past years.

Reporting Structure

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

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

Integrated Report	
IR Information	
Corporate Data	



Scope

- Mitsubishi Estate Co., Ltd.
- Mitsubishi Estate consolidated subsidiaries in principle

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

Period

In this report, “fiscal 2023” refers to the period from April 1, 2023 to March 31, 2024, and other fiscal years are referred to in a corresponding manner. The report covers fiscal 2022, but also includes information pertaining to other fiscal years.

Reference Guidelines

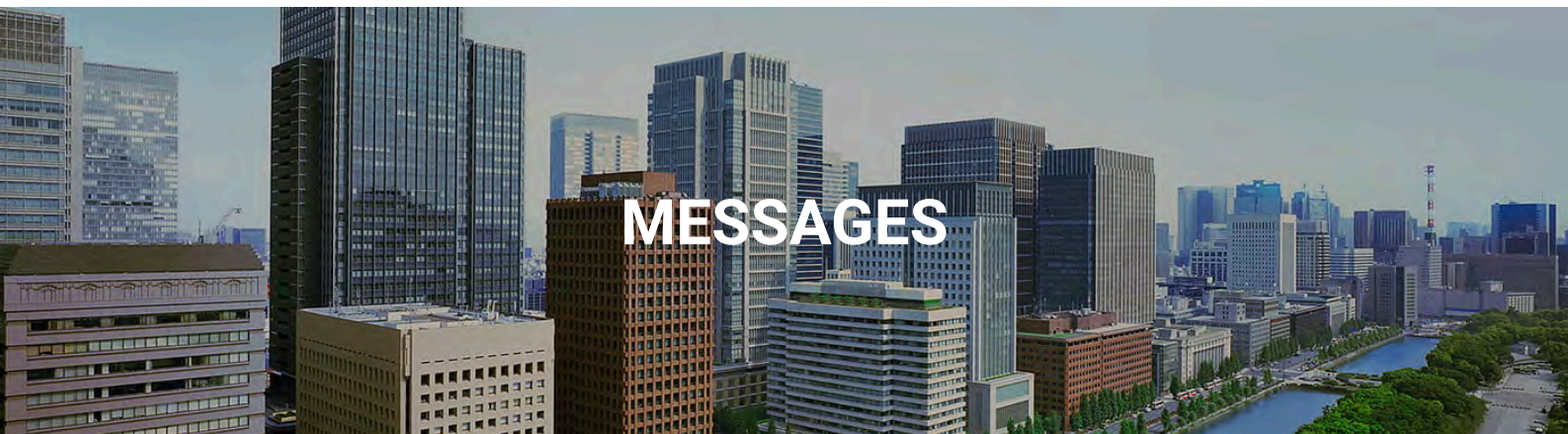
Global Reporting Initiative (GRI) Standards

ISO 26000:2010 Guidance on social responsibility

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

SASB Standards, Sustainability Accounting Standards Board

Publication date	September, 2024
Next issue	The next issue is scheduled for publication in September 2025.
Production overseen by	Sustainability Management and Promotion Department, Mitsubishi Estate Co., Ltd.
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MESSAGES



Message from the President

Atsushi Nakajima

President & Chief Executive Officer

Mitsubishi Estate Co., Ltd.

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Bunroku Naganuma

Executive Vice President
Mitsubishi Estate Co., Ltd.

Message from the Director Responsible for Sustainability

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Tsuyoshi Okamoto

Outside Director
Mitsubishi Estate Co., Ltd.

Outside Director's Message

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Message from the President

As the Ecosystem Engineers, we realize sustainable growth in partnership with society and urban development that we can proudly pass on to the next generation

Atsushi Nakajima

**President & Chief Executive Officer
Mitsubishi Estate Co., Ltd.**



Updating our strategy and boldly taking on new challenges in response to major changes in the environment

Fiscal 2023 was a year when people's lives and industry returned to normal as the COVID-19 pandemic came to an end. As society embarked on a new stage, the business environment surrounding us also changed significantly. With the changes in the ways in which offices are used, the value of sharing space in real life has been reassessed, resulting in low vacancy rates in the buildings we manage. Meanwhile, although there are some challenges in promoting our business, such as soaring construction costs, labor shortages, and the impact of rising interest rates overseas, economic activity overall has been revitalized and Japanese society looks to be exiting a long period of deflation. We believe that a trend of stable inflation will be tailwind for real estate companies over the medium to long term and that this is the right time to aggressively take on challenges.



On the other hand, the international situation has become increasingly unstable with ongoing conflicts in Ukraine and Gaza. The world is entering an era of division, and so we must also carefully monitor geopolitical risks.

In these circumstances, we implemented a review of Long-Term Management Plan 2030, launched four years ago in 2020, and updated our strategy in light of the changes in the environment surrounding us. To achieve both of our strategic goals, increasing social value and increasing shareholder value, we reorganized "Be the Ecosystem Engineers," the Group's vision of what it wants to be in 2050 as expressed in Sustainability Vision 2050, into a common basic policy for management with two strategic drivers to demonstrate our commitment to further integrating our business activities with sustainability. In addition to that, we adopted the return to basics approach in our strategy for increasing shareholder value as we aim to raise the level of the Group's "earning capability."



Reorganizing the key themes related to sustainability

In our strategy for increasing social value, we reviewed the key themes related to sustainability that we established in 2020 and revised them into “Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes.” The four themes are urban development and services, the global environment, respect for people, and value creation. We identified material issues and risks, and opportunities for each theme and presented specific examples of businesses and initiatives (outputs) and the values to be realized (outcomes).

Background to this revision were internal and external stakeholders pointing out the ambiguities in the relationship between our sustainability measures and our business activities and asking how the management resources invested in sustainability are returned as shareholder value. In light of this, the review went back to the question of why the Group is addressing sustainability to reaffirm its significance. The result was simply that addressing sustainability is essential for the sustainable growth of the Group.

Aiming to integrate business activities and sustainability



The perspective of providing value for the next generation will be the key for integrating business activities and sustainability. Due to its very nature, urban development is something we pass on to the next generation, and considering its sustainability hence requires a long timeframe. A building constitutes the history of an urban area and forms a cornerstone for the next generation not only during its development, but also during the period when people are using the completed building and even after it is no longer there. We need to be more aware of the responsibility and impact of providing social infrastructure and engage in responsible business activities and conduct that we can be truly proud of for the next generation.

Conversely, maintaining a business that will be valued by the next generation is in itself essential for the sustainable growth of the Group.

I firmly believe that social value and shareholder value are not at all contradictory. As an urban development company, we are only economically viable if we are recognized by society. Our mission statement, which is to contribute to the creation of a truly meaningful society through urban development, precisely connects these two values. Increasing social value through the development of attractive urban areas ultimately leads to growth for the Group. Doing this is not out of the ordinary, but something we have always done as an innate part of our being. This review of our key themes was a process of reaffirming that the creation of social value is at the center of urban development, which is the Group’s core business. In particular, I believe we successfully identified the affinity between urban development and sustainability with the establishment of “pursue tangible and intangible urban development for the next generation” as a theme related to urban development and services.

Meanwhile, as discussion still tends to be focused on economic value and shareholder value in internal decision-making, it is essential to promote an appreciation that the four key themes related to sustainability are simply an extension of our business activities to accelerate our strategy for increasing social value. At the Group, a diverse range of employees work in various departments, and I think in the past it was difficult for many employees to relate their own work to sustainability. However, all of our business activities from development through



operation and management, real estate brokerage, and investment management are connected to our strategy for increasing social value. We will encourage all of the Group's officers and employees to understand that their day-to-day efforts contribute to sustainability and seek the understanding of external stakeholders, including shareholders and investors.

We are already moving toward the integration of business activities and sustainability targets in the annual plans for each business. The Executive Committee is also exploring the creation of new mechanisms for making investment decisions based on how a business will contribute to increasing social value. In addition, the Board of Directors has engaged in vigorous discussions aimed at further deepening sustainability measures, using the reports received from the Sustainability Committee as its starting point.

Creating new businesses based on diverse partnerships

The business environment is constantly changing, and the demands on companies from society are becoming more complex and sophisticated. It is important to be sensitive to these demands in expanding the scope of our business and actively obtain external inputs in order to achieve the long-term management plan and sustainable growth in partnership with society.

The "Ecosystem Engineers" slogan adopted in Sustainability Vision 2050 is a concept based on co-existence and co-creation. It expresses our aspiration to be a corporate group (=engineers) that provides spaces and infrastructure (=ecosystems) where all actors (individuals, corporations, and more) are able to coexist sustainably and thrive together. To begin with, urban development is not a project that we can complete by ourselves. It only begins to take shape when a diverse range of actors work together, including other landowners, construction companies, tenants, and the local community. We need to constantly think about what kind of partnerships are needed in order to enhance the value of real estate and urban areas.

Over the past few years, we have focused on co-creation with startups as one example of such partnerships. Through a variety of support programs, there are now around 200 startups based in the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts). As we attract startups and each company strives for growth, we aim to create open innovation by promoting collaboration among startups and between startups and large companies, as well as seeking organic collaboration with our business. We are also increasing collaboration with academia, including universities and overseas research organizations, and working with a variety of artists to revitalize urban areas. We value interactions with new stakeholders who provide perspectives that differ from those of conventional business.

Promoting management that values dialogue and turns diversity into strength

Although technologies such as AI are evolving rapidly at the moment, it is people who underpin all business activities, and I have once more become aware of the importance of human resources. In order to achieve the long-term management plan and go beyond, it is essential that we create an environment in which every single employee of the Mitsubishi Estate Group can maximize their different capabilities. Each person is a unique individual, and we do not all need to think the same. We want our employees to continue to grow as individuals while valuing themselves and respecting others.

As Ecosystem Engineers, we work with people who have different perspectives, so communication is of the greatest importance. When I was working in the United States, I faced many challenges in communication. Obviously, the idea that people understand what I want to say without me having to say anything did not work for communication, but I even found it necessary to assume that it is not easy to convey



what you want to say even when you say it. This is why I believe it is essential to emphasize dialogue and to improve our overall human skills so that we can value ourselves and others, thereby leading to growth potential for the entire Group.

If we consider the provision of value on a global basis, the importance of diversity in human resources is also increasing. We need to design personnel systems that enable diverse human resources to thrive regardless of gender, nationality, cultural background, or other differences. In addition, we have been recruiting specialized human resources in specific fields such as development and digital transformation (DX) over the past few years, and our evaluation systems must adapt to this diversification.

We want to address the issue of gender quickly by increasing the percentage of female managers and taking other measures. However, to tell the truth, there is a gap between this goal and the current situation which has built up over time. To make progress with reform, I feel the challenge is how to ensure that all officers and employees truly come to terms with and understand gender equality. As part of this, in February 2024, we declared our commitment to putting gender equality and women's empowerment at the center of management by becoming the first Japanese property developer to sign up to the Women's Empowerment Principles (WEPs), which was also partly intended to give ourselves a push forward in implementing reform.

I feel that the younger generation tends to be more aware of environmental and other sustainability issues, and we want to listen actively to the opinions of young people. As management, we are working hard to further increase communication within the company, and, at the same time, we also hope that employees will not be afraid to speak up. A company where the diversification of human resources fails to make progress cannot overcome change. We will continue to promote diversity with strong determination.

Demonstrating our presence in the world through value creation leveraging “venues”

Looking to the future, we want to demonstrate a strong global presence so that the Mitsubishi Estate Group instantly comes to mind when people think about real estate companies. Due to the nature of our business, our strength is that we have a variety of “venues.” As the Ecosystem Engineers, we will continue to co-create with diverse partners leveraging these venues. The Mitsubishi Estate Group is a real estate company, but our business has already expanded into all manner of peripheral areas, making it possible to provide a wide range of values.

Based on the updated long-term management plan and the key themes related to sustainability, the Group will upgrade its business activities and realize an increase in social value for the next generation. We hope that our stakeholders are looking forward to our initiatives and will provide us with candid feedback. As we deepen communication with our stakeholders, we will move forward steadily as a group that continues to be trusted toward our mission statement, which is to contribute to the creation of a truly meaningful society through urban development.

Atsushi Nakajima

President & Chief Executive Officer

Mitsubishi Estate Co., Ltd.

(As of August 20, 2024)

MESSAGES

Messages from the Director Responsible for Sustainability and an Outside Director



Message from the Director Responsible for Sustainability

Bunroku Naganuma

Executive Vice President

Mitsubishi Estate Co., Ltd.

Contributing to solving social issues through business activities

As the world undergoes major changes due to the impact of the COVID-19 pandemic, the international situation, and other factors, the sense of urgency about social sustainability, including climate change and human rights, continues to escalate. It is expected of corporations that they promote a virtuous cycle between economy and the environment to drive the creation of a sustainable society. Today, it is no longer possible to increase corporate value without taking action to increase social value.

To respond appropriately to this situation and contribute to the realization of a sustainable society while engaging in business activities, we must consider the best options the Group should take based on identification of accurate information and dialogue with our stakeholders.

Vision for 2050 and review of key themes related to sustainability

The Mitsubishi Estate Group has set out the Mitsubishi Estate Group Sustainability Vision 2050, “Be the Ecosystem Engineers,” as our vision for 2050.

We have been promoting urban development in a variety of locations, principally the Marunouchi area (the Otemachi, Marunouchi, Yurakucho districts), for over 130 years. Urban development involves working in partnership with various stakeholders to nurture the city together. The Group has promoted urban development while making it a goal to constantly provide society with new value by considering local communities and the natural environment, addressing the diverse social issues and responding to changes in the times, and designing plans based on a forward-looking perspective. As the Ecosystem Engineers, the Mitsubishi Estate Group provides the spaces and infrastructure (ecosystems) in which diverse individuals and corporations are able to coexist sustainably and thrive together economically,



environmentally, and socially. We believe doing this creates new value and innovation which leads to the development of our goal: a sustainable city and society.

In May 2024, the Group announced the review of key themes and material issues related to sustainability. This was done with an intent to make the relationship of the Group's strategy for increasing social value to its business activities and the contribution to financial value clearer, as well as to present this information to internal and external stakeholders. In my capacity as the director responsible for sustainability, I lead the Sustainability Management and Promotion Department in the planning and drafting of measures related to sustainability targets across the Group. We formulate measures following deliberations and reports at the Sustainability Committee, which is chaired by the President of Mitsubishi Estate. The current revisions were adopted after the Sustainability Committee and the Board of Directors evaluated their appropriacy. We are working toward providing even greater value for all of our stakeholders and realizing a sustainable society through various themes related to urban development and services, the global environment, respect for people, and value creation, which are defined in "Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes."

Promoting urban development that creates value in partnership with diverse stakeholders

The Mitsubishi Estate Group must share common values and standards for conduct and make concerted efforts with diverse stakeholders in aiming to realize a sustainable society and the Group's mission. Mitsubishi Estate has established the Sustainability-Minded Construction Architectural Design and Construction Policies for real estate development that outline the conditions required by type and scale in areas such as design specifications. Moreover, from the perspective of supply chain management, we established the Mitsubishi Estate Group Supplier Code of Conduct in line with global standards to reinforce systems for verifying compliance of suppliers on human rights, the environment, and other areas. In 2023, we introduced a multilingual consultation and relief help desk service as a grievance mechanism available to foreign workers at construction sites. Through these and other steps we enhance measures aimed at building a sustainable supply chain.

Going forward, we will continue our work to engage in dialogue and collaboration with all stakeholders to solve diverse social issues and respond to the needs of society as well as the demands and expectations of the Mitsubishi Estate Group through our core business, thereby striving to maximize the value we provide to all stakeholders and further enhance our corporate value.



Outside Director's Message

Tsuyoshi Okamoto

Outside Director

Mitsubishi Estate Co., Ltd.

Valuing diversity and constantly working to update management

I assumed the position of Outside Director in 2019. The Group had transitioned to the structure of a Company with Nominating Committee, etc. before that, and has also pushed ahead with governance reform since. At present, Outside Directors account for half of the Board of Directors, and non-executive Directors form a majority. The Outside Directors are all Independent Officers, of which two are women. I believe that the independence and diversity of the Board of Directors is adequately maintained at present. The involvement of members with a range of positions and views makes our discussions more vigorous. Amid an ever-changing management environment and external demands that also keep changing, it is essential to continue examining the optimum composition of the Board from multiple perspectives, including professional background, gender, and nationality. Rather than being satisfied with the status quo, we need to constantly adapt to the changes around us.

An organization cannot grow without embracing diversity. The importance of this should not only be recognized by the Board of Directors, but by all of the Group's officers and employees. When faced with different ways of thinking, we should be inspired to search for what we can gain from such differences, rather than avoiding them. At the moment, the emphasis is on further efforts to promote the empowerment of women and increasing the percentage of women in management and executive positions. However, I think that the fundamental idea behind this is the theme of how diverse human resources – not just by gender – can interact, inspire one another to improve their skills, and work together to strengthen the organization. We respect diverse ideas in the workplace and in management and seek to develop a sense of business that is in line with the times.

Reaffirming the relationship between business activities and sustainability through the review of Long-Term Management Plan 2030

Monitoring the Long-Term Management Plan is one of the important roles of the Board of Directors, and we have continued to hold intense discussions based on detailed explanations from the executive side. In May 2024, we announced a review of Long-Term Management Plan 2030 against the backdrop of unprecedented major changes in domestic and international conditions, including the COVID-19 pandemic, the conflict in Ukraine, the decoupling of the United States and China, and rapid inflation. The question of how to transform our strategies, tactics, and portfolio in response to these changes has been an ongoing topic of discussion at the Board of Directors over the past few years, and we have continued to hold in-depth discussions.



Through the review of Long-Term Management Plan 2030, we revised the key themes related to sustainability in terms of strategy for increasing social value in light of the major changes in domestic and international conditions. While steadfastly maintaining management with the two strategic drivers of increasing social value and increasing shareholder value, which serves as the foundation, we clarified the Mitsubishi Estate Group's business activities from the perspective of sustainability, analyzed the material issues, and reorganized four key themes as actions to establish sustainability for both the Group and society. I think it was particularly significant that we clarified the fact that promoting both the tangible and intangible aspects of real estate, the Group's core business, contributes to increasing social value in and of itself. This enables employees to feel confident that implementing and completing their own work is what leads to sustainability. That, in turn, has made dialogue with external stakeholders such as investors easier.

Expecting measures that address changes and create new trends

Amid very rapid changes in the environment, we must continue aiming to constantly upgrade and achieve the Long-Term Management Plan while engaging in a series of dialogues with internal and external stakeholders. The Mitsubishi Estate Group has a robust management foundation backed by the traditions of the Otemachi, Marunouchi, and Yurakucho district. I expect the Group to take advantage of this strength not only to address the waves of change but also to develop a variety of measures with the courage to create new trends itself as a Group.

I have been involved in management of companies involved in the city gas business, electricity business, and the energy service business in Japan and overseas for many years. I also served as an officer at Keidanren for six years and interacted with many corporate executives. I hope to draw on the knowledge I have based on my past experience to fulfil my responsibility to increase the corporate value of the Mitsubishi Estate Group and contribute to a sustainable society.

(As of August 20, 2024)



SUSTAINABILITY MANAGEMENT

Mitsubishi Estate Group Sustainability Vision 2050
Be the Ecosystem Engineers



Value Creation Model

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Governance

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Strategy

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Participation in Global Initiatives

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Stakeholder Engagement

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Mitsubishi Estate Group ESG-Related Rules and Policies

[READ MORE →](#)



SUSTAINABILITY MANAGEMENT

Guiding Principles and Basic Approach

Our Approach to Sustainability

Based on The Spirit of Mitsubishi: The Three Principles of the Mitsubishi Group, the Mission states, “By building attractive, environmentally sound communities where people can live, work and relax with contentment, we contribute to creating a truly meaningful society.” The Group’s approach to sustainability consists of realizing sustainability for both the Mitsubishi Estate Group and society by continuing to provide things with value for the next generation through the promotion of responsible business based on this Mission.

Philosophy

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

The Spirit of Mitsubishi: The Three Principles

Shoki Hoko

所期奉公

**Corporate
Responsibility to
Society**

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

Shoji Komei

処事光明

**Integrity and
Fairness**

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

Ritsugyo Boeki

立業貿易

**Global
Understanding
through Business**

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



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

The Mission of Mitsubishi Estate Group

We contribute to society through urban development.

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

The Mitsubishi Estate Group Code of Conduct

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

1. We will act with integrity.

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

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

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

3. We will strive to create a vibrant workplace.

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



Mitsubishi Estate Group Guidelines for Conduct (Revised April 2018)

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



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

Mitsubishi Estate Group Sustainability Vision

The Mitsubishi Estate Group has established Sustainability Vision 2050.

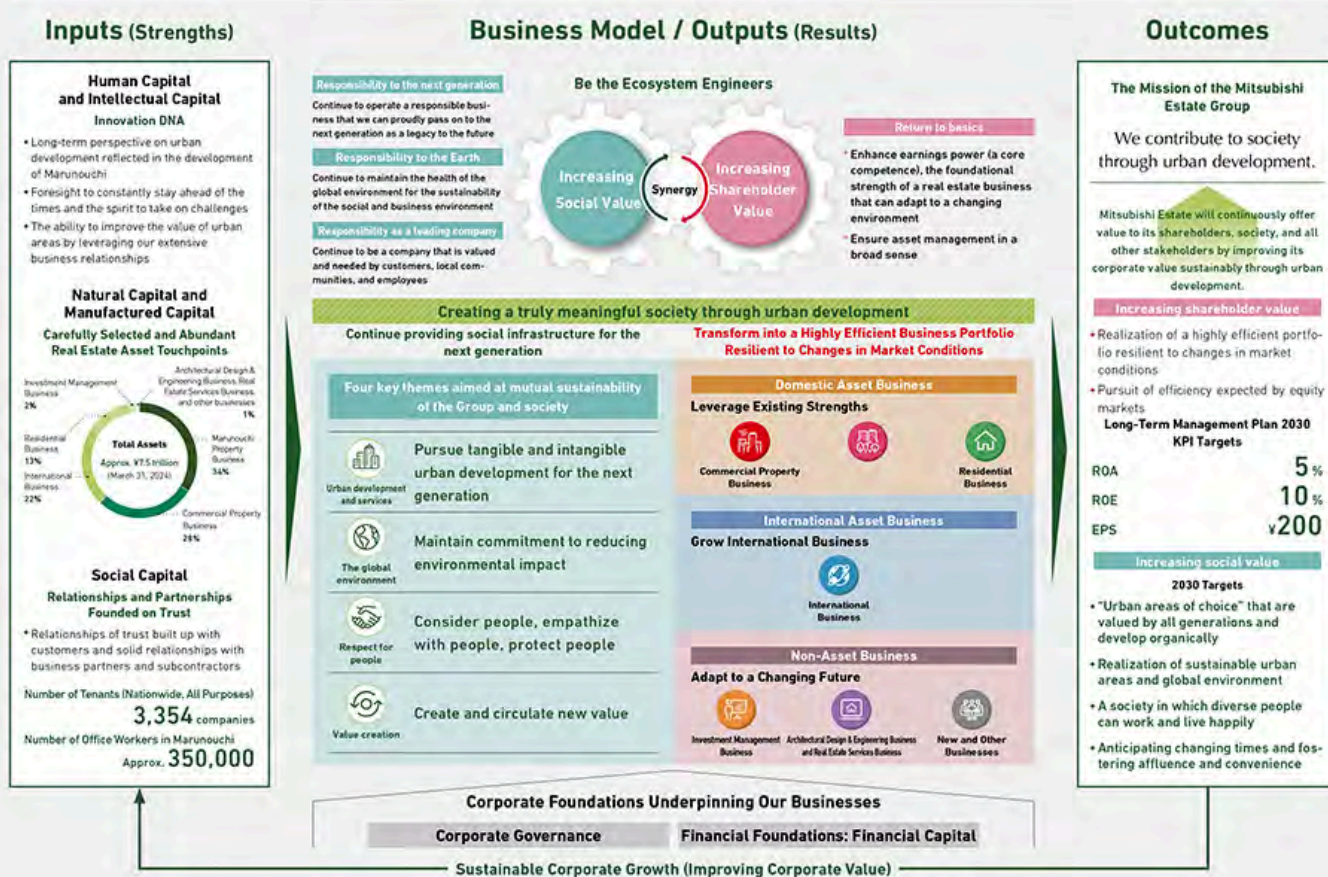
Mitsubishi Estate Group Sustainability Vision
- Be the Ecosystem Engineers -





As of August 20, 2024

Value Creation Model



Mitsubishi Estate Group Value Creation Model (212KB)





SUSTAINABILITY MANAGEMENT Governance

Sustainability Promotion System

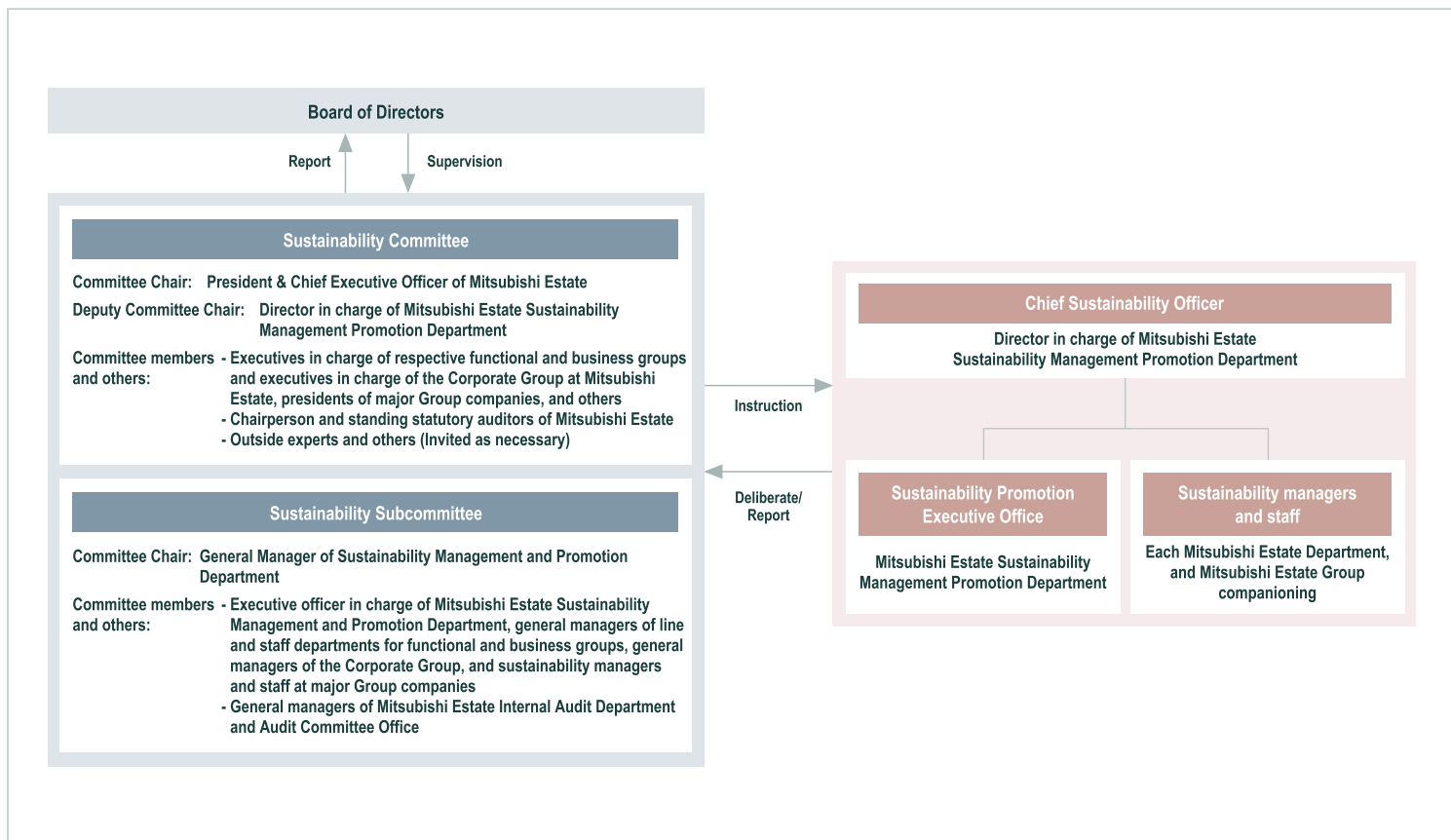
The Mitsubishi Estate Group sets out matters related to efforts to promote sustainability in the Mitsubishi Estate Group Sustainability Regulations. Chaired by the president & chief executive officer of Mitsubishi Estate and with the director responsible for sustainability (the executive officer in charge of the Sustainability Management and Promotion Department at Mitsubishi Estate) as the deputy chair, the Group's Sustainability Committee comprises executives in charge of respective functional and business groups and the executive in charge of the Corporate Group, as well as presidents of major Group companies, and it ensures effective Groupwide promotion of sustainability. The Sustainability Subcommittee serves as a forum for detailed discussions to prepare for Sustainability Committee meetings.

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

Reports on important matters discussed or reported at meetings of the Sustainability Committee are reported at the following meeting of the Board of Directors by the individual responsible for overseeing sustainability initiatives. This arrangement allows for oversight by the Board of Directors. In implementing sustainability-related measures, the director responsible for sustainability oversees the process, while the sustainability managers and staff of each department at Mitsubishi Estate and each Mitsubishi Estate Group company and of the Sustainability Promotion Executive Office (Sustainability Management and Promotion Department at Mitsubishi Estate) together head the execution of specific activities and studies.



Mitsubishi Estate Group Sustainability Promotion System (As of April 1, 2024)





Monitoring Progress Relating to Key Themes

Mitsubishi Estate monitors progress toward the accomplishment of the key themes and KPIs related to sustainability set out as the strategy for increasing social value in Long-Term Management Plan 2030 by incorporating them into the annual plans for each business and functional group.

The Mitsubishi Estate Sustainability Management and Promotion Department, which serves as the Sustainability Promotion Executive Office, collates information on the status of progress toward achievement of targets and details of initiatives, which is reported to the Sustainability Committee and the Sustainability Subcommittee. The Chief Sustainability Officer, who is the director in charge of the Sustainability Management and Promotion Department at Mitsubishi Estate Co., Ltd., also reports the same information to the meeting of the Board of Directors following the committee meeting.

Moreover, achieving the annual plans makes for one of the qualitative evaluation criteria for determining officer remuneration.

Sustainability Key Themes

[Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes](#)



Officer Remuneration

[IR Information > Corporate Governance > Remuneration > Indicators and Process for Calculating the Evaluation Index](#)





Past Meetings of the Sustainability Committee

Fiscal 2023

1st meeting (July 19, 2023)

- Establishment of the Timber Procurement Guidelines
- Review of the key themes and material issues related to sustainability for the strategy on increasing social value in the Long-Term Management Plan (progress report)
- Updates to information disclosure based on TCFD recommendations
- Status of progress on KPIs of the Mitsubishi Estate Group 2030 Goals for the SDGs

2nd meeting (February 17, 2024)

- The strategy on increasing social value in the Long-Term Management Plan
- Status of operation and review of Sustainability Incentive Programs
- Status of introduction of renewable energies aimed at achieving RE100 in fiscal 2025
- Stakeholder engagement
- Supply chain risk assessment associated with construction materials
- OMY SDGs ACT5: Initiatives related to Diversity & Inclusion



Past Meetings

Fiscal 2022

1st meeting (July 11, 2022)

- Status of Incentive Programs for Sustainability-Related Initiatives
- Status of supply chain management-related initiatives
- Results of ESG and various benchmarks
- OMY SDGs ACT5 2022 and Other Sustainability Activities
- Status of initiatives toward achieving Mitsubishi Estate Group 2030 Goals for the SDGs

2nd meeting (February 17, 2023)

- FY2021 results and future prospects regarding energy and waste
- Result of Stakeholder Engagement
- OMY SDGs ACT5 2022 initiatives and Training Program for Experiencing Social Issues
- Status of initiatives toward achieving Mitsubishi Estate Group 2030 Goals for the SDGs

Fiscal 2021

1st meeting (July 7, 2021)

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

2nd meeting (February 25, 2022)

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



Fiscal 2020

1st meeting (July 30, 2020)

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

2nd meeting (February 8, 2021)

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

Fiscal 2019

1st meeting (December 2019)

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

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

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

2nd meeting (February 2020)

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



Fiscal 2018

1st meeting (July 2018)

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

2nd meeting (March 2019)

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

Fiscal 2017

1st meeting (July 2017)

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

2nd meeting (February 2018)

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



SUSTAINABILITY MANAGEMENT Strategy

Since establishing Long-Term Management Strategy in January 2020, the Mitsubishi Estate Group has been aiming to provide value to shareholders over the long term with the practice of management based on both strategies to increase social value and strategies to increase shareholder value.

The Group's sustainability strategy consists of solving social issues through business activities and increasing corporate value through the promotion of "management with two strategic drivers."

See the following for more details. (Background to Definition of Key Themes)

[Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes > Background to Definition of Key Themes](#)





SUSTAINABILITY MANAGEMENT

Participation in Global Initiatives

Signed the United Nations Global Compact

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



Participating in the Women's Empowerment Principles (WEPs)

In January 2023, Mitsubishi Estate endorsed the Women's Empowerment Principles (WEPs) and signed a statement to act in accordance with the WEPs. The WEPs are principles for businesses to actively promote women's empowerment as jointly outlined by the UN Global Compact and the UN Development Fund for Women (UNIFEM, currently UN Women) in March 2010. About 9,000 companies from around the world and about 320 companies in Japan are involved in the WEPs, and Mitsubishi Estate is the first Japanese comprehensive developer to participate.

In support of

WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the
UN Global Compact Office



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

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



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

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

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

Reference: ESG Data > E: Environmental data > (1) KPI > 1. Climate Change (GHG Emissions, Energy Use) →

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

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

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



Participating in RE100

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



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

Reference: [ESG Data > E: Environmental data > \(1\) KPI > Renewable energy rate](#)



Reference: [List of Buildings Introducing Renewable Energy](#)



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



Participating in JCLP

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

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



Signed on to TCFD

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



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

[Information Disclosure Based on TCFD Recommendations](#)



Signed the Principles for Responsible Investment (PRI)

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

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

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



The Six Principles of PRI

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



SUSTAINABILITY MANAGEMENT

Stakeholder Engagement

Basic Policy and Approach

Living up to its mission, “We contribute to society through urban development,” Mitsubishi Estate Group strives to contribute to creating a truly meaningful society by building attractive, environmentally sound communities where people can live, work and relax with contentment. The Mitsubishi Estate Group’s business is built upon the foundation of its relationships with a wide variety of stakeholders, including customers, shareholders, local communities, government and local authorities, business partners, and executives and employees and their family members. Business activities in urban development involve many stakeholders by their very nature, and the Mitsubishi Estate Group has the responsibility to pursue its business activities while living up to the trust placed in it by these stakeholders. Based on the opinions of outside experts and others, the Group identifies the stakeholders involved in the conduct of its business and analyzes the relationship with each stakeholder and the degree of influence and other factors to determine the level of priority. To this end, the Group places great importance on stakeholder engagement, with the following as its main objectives.

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

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



Stakeholder Engagement



Governance Structure

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

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

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

Methods for Dialogue with Stakeholders

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



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



Stakeholder Dialog Details

FY2022 Stakeholder Dialog Details

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

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



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



FY2023 Stakeholder Dialog Details

- Main dialog partners: FoE Japan、IGES
- Dialog method: in person
- Dialog time frame: October to November, 2023

Theme	Stakeholder expectations for the Company, perceived issues
Climate change	<ul style="list-style-type: none"> ● It is expected that gas use will be discouraged and alternatives such as heat pumps, distributed power sources, and EVs should be considered. ● ClimateTech companies (aiming to decarbonize heat) are emerging . It would be desirable to monitor equipment and technology in this area. ● The company needs to demonstrate to manufacturers and governments that there is a demand for decarbonized building materials. It would be ideal the industry as a whole to approach this issue, rather than the company on its own. ● There are also trends to concern, such as the melting of the ice shelves on the west coast of Antarctica. Science findings should also be monitored, and the real estate impacts of the physical risks of climate change should be closely monitored in the future.
Forest	<ul style="list-style-type: none"> ● Indirect procurement (in construction) is expected to be included in the Timber Procurement Guidelines. It is also expected to indicate a timeline for consideration. ● Obtaining complete traceability information is expected in confirming the risk of the timber being procured. ● In TNFD disclosure, risks should not only focus on developed properties and holding areas, but also on traceability back to the production sites (logging sites) of raw materials for building materials, including timber.



Partnerships with Outside Organizations

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



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

Multi-stakeholder Policy

See the following for Mitsubishi Estate's multi-stakeholder policy.

Multi-stakeholder Policy (Japanese only) (PDF 366KB)





Stakeholder Engagement in Urban Development

The Group engages with stakeholders, including local communities, and takes into account their opinions in the development process.

An Example in Development of New Condominiums

The Park House Jiyugaoka Diana Garden received comments from stakeholders, including local communities, at the time of planning regarding its biodiversity initiatives, and introduced the BIO NET INITIATIVE, an initiative implemented by Mitsubishi Jisho Residence to conserve biodiversity. The following activities have been carried out. The property is located in the urban area of Jiyugaoka, but has become a rare property that retains a large green space.

(1) Securing the amount of greenery and attracting species through large-scale green spaces

25% of the site has been converted to green space through the use of traditional plants and native species, leaving an area contributing to biodiversity of over 29% of the site.

(2) Use of environmental surveys (covering houses, vegetation, and ecosystems) before construction begins and donation to the community

The planned site is the former residence of the late Yonekichi Hiraiwa, known as a leading researcher on canines and wolves, which was called "Hakuhisou. The results of a survey conducted in cooperation with the Nature Conservation Society of Japan were used in the project and donated to the Museum of Modern Japanese Literature and J-Spirit.Inc, which serves as the secretariat for the Jiyugaoka Townscape Formation Committee, an urban renewal promotion corporation that aims to promote urban development and landscape formation in the Jiyugaoka area.

(3) Preservation of existing trees, topsoil and rare plants

We have conducted temporary off-site storage of existing trees, topsoil, and rare plants, and their re-planting on the proposed site. We have also successfully created of new homes for creatures that prefer a grassland environment and habitat for creatures that have existed in the soil.



SUSTAINABILITY MANAGEMENT

Mitsubishi Estate Group ESG-Related Rules and Policies

The Mitsubishi Estate Group has established rules and policies based on **the Mitsubishi Estate Group Mission, the Code of Conduct, and the Guidelines for Conduct.**

Mitsubishi Estate Group Basic Environmental Policy

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

[Mitsubishi Estate Group Basic Environmental Policy](#)



Mitsubishi Estate Group Green Procurement Guidelines

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

[Mitsubishi Estate Group Green Procurement Guidelines](#)





Mitsubishi Estate Group Timber Procurement Guidelines

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Timber Procurement Guidelines based on the Mitsubishi Estate Group Basic Environmental Policy to ensure no forest destruction or deforestation and the protection of biodiversity in the procurement of timber in the Mitsubishi Estate value chain.

The timeline for the measurement of progress in the achievement of the guidelines is fiscal 2025 as a milestone (goal: minimum 90% achieved) and fiscal 2030 as the target year for achievement.

The guidelines were established with supervision from WWF Japan.

[Mitsubishi Estate Group Timber Procurement Guidelines](#)



Mitsubishi Estate Group Supplier Code of Conduct

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

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



Mitsubishi Estate Group Human Rights Policy

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

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



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





Mitsubishi Estate Group UK Modern Slavery Act Statement

Mitsubishi Estate has issued the statement to comply with Article 54 of the UK Modern Slavery Act 2015. The aim is to identify slavery and human trafficking risks in the Mitsubishi Estate Group and its supply chain, in addition to outlining the Group's initiatives to prevent and mitigate these risks.

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



Mitsubishi Estate Group Anti-Corruption Guidelines

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

[Compliance > Preventing Corruption](#)



Mitsubishi Estate Group Guidelines on Social Contribution Activities

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

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



Mitsubishi Estate Group Declaration on Customer Respect

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

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





Sustainability Vision

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 aspires to “Be the Ecosystem Engineers” in order to achieve its mission by establishing sustainability for both the Group and society. This vision serves as the common fundamental policy of both strategies for increasing social value and strategies for increasing shareholder value under its Long-Term Management Plan.

In the area of strategies for increasing social value, the Group has set out Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes — specifically, urban development and services, the global environment, respect for people, and value creation.

[Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes](#)





Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes



Background to Definition of Key Themes

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Review Process for Key Themes

[READ MORE →](#)



Urban development and services

[READ MORE →](#)



The global environment

[READ MORE →](#)



Respect for people

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Value creation

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Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes

Background to Definition of Key Themes

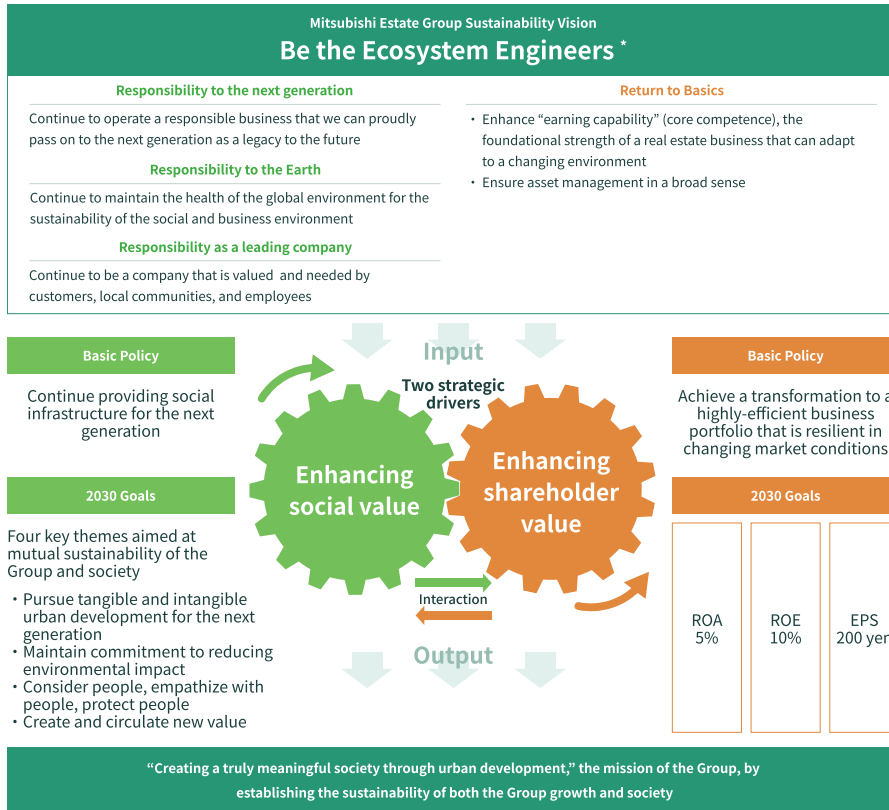
In 2024, the Mitsubishi Estate Group revised its key themes and material issues related to sustainability in light of changes in the natural and social environment surrounding the Group and the increasingly complex sustainability-related demands on companies.

Under its Long-Term Management Plan 2030, the Mitsubishi Estate Group is committed to management focused on strategies for increasing both social and shareholder values. Returning to the fundamental characteristics of its business, the Group believes that the only way for it to develop sustainably into the future and continue returning value to its stakeholders is to pursue a responsible business with an eye on the next generation 50-100 years from now. Based on this belief, in February 2024, the Group established “three responsibilities” for providing social infrastructure for the next generation, which serve as a bridge uniting the two strategies.

At the same time, the Group reviewed the positioning of the key themes related to sustainability, which have functioned as the focus for the provision of value to society to date, and redefined them as “actions for realizing the sustainability of both the Group and society.” Mitsubishi Estate will accelerate initiatives aimed at solving social issues through the business activities of the entire Group with the aim of establishing the sustainability of its business activities as a company needed by the next generation while creating a truly meaningful society which is the Mission of the Mitsubishi Estate Group.



Two-strategic-driver framework



* We aspire to be a corporate group (=engineers) that provides spaces and infrastructure (=ecosystems) where all actors (individuals, corporations, and more) are able to coexist sustainably and thrive together—economically, environmentally, and socially. (Announced February 5, 2020)

Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes



Pursue tangible and intangible urban development for the next generation

Urban development and services

“Urban areas of choice” that are valued by all generations and develop organically



Maintain commitment to reducing environmental impact

The global environment

Realization of sustainable urban areas and global environment



Consider people, empathize with people, protect people

Respect for people

A society in which diverse people can work and live happily



Create and circulate new value

Value creation

Anticipating changing times and fostering affluence and convenience



Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes

Review Process for Key Themes

In 2020, the Mitsubishi Estate Group established four key themes related to sustainability on which to concentrate its efforts as a strategic driver for increasing social value under the Long-Term Management Plan 2030 and has since been pursuing initiatives.

In light of the changes in the natural and social environment surrounding Mitsubishi Estate, a revision of material issues and the key themes was conducted between July 2023 and February 2024 using the backcasting method with the aim of clarifying their relationship with business activities.

Step1 Sorting Out Social Issues

We identified social issues that are deeply related to the Group with reference to the following:

- Sustainability information disclosure guidelines (GRI Standards, SASB)
- ESG evaluations (FTSE, DJSI, MSCI, CDP)
- SDGs
- Global megatrends
- The Group's mission, codes of conduct, long-term vision, long-term management plan, etc.

Step2 Conducting Stakeholder Surveys

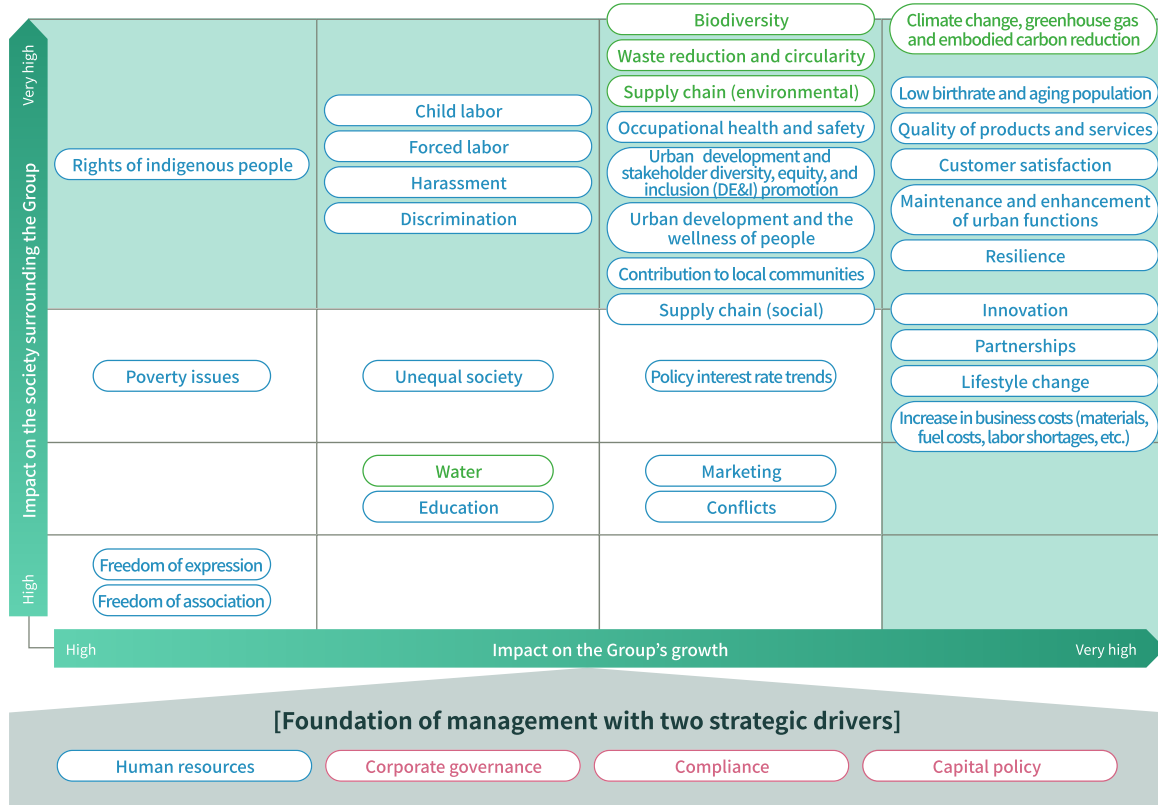
We exchanged opinions concerning the direction for the review of the key themes with representatives from different sections within the Group along with more than 60 external stakeholders in total. External stakeholders inquired about the relationship between the Group's growth strategy and the ESG measures, and how they support the core business. Stakeholders within the Group provided opinions on emphasizing affinity between the company's business and the ESG measures, especially on visualization of the value provided to society through real estate development and management, which is the core business.



Step3 Mapping Out Social Issues

Based on Step 1 and Step 2, we identified the social issues with a deep relationship to Mitsubishi Estate and mapped and prioritized them along the two axes of “impact on the society surrounding the Group” and “impact on the Group’s growth” to identify items assessed as having a particularly large impact on each axis as material issues.

Mitsubishi Estate Group’s Material Issue Matrix



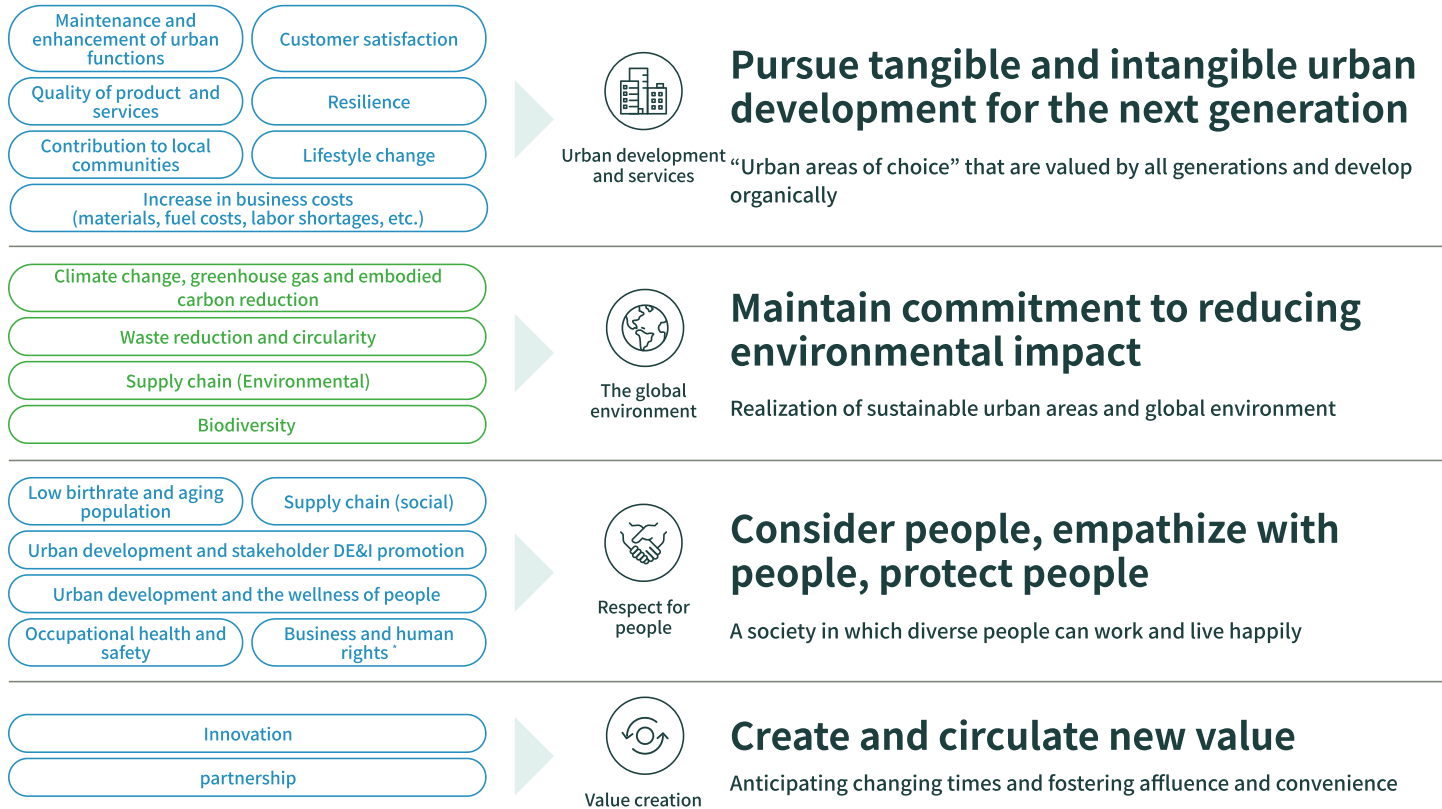


Step4 Identifying Four Key Themes

The material issues identified in Step 3 are grouped for similar items and organized into four groups: urban development and services, the global environment, respect for people, and value creation, and based on the result, “Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes” were established.

Classification of Material Issues

Sustainability of the Mitsubishi Estate Group and Society Four Key Themes



* Encompasses issues including child labor, forced labor, harassment, discrimination, rights of indigenous people

Step5 Verifying the Applicability

Management evaluated the applicability of the key themes and material issues after deliberations by the Sustainability Committee and the Board of Directors. The Group will continue to regularly evaluate the impact of its business operations on society based on the key themes and material issues for each theme and implement initiatives based on the Plan-Do-Check-Act (PDCA) cycle.



Urban Development and Services

Pursue tangible and intangible urban development for the next generation

In order to establish ourselves as a leading company that represents Japan, we are aware of our responsibility and impact in providing social infrastructure as a comprehensive real estate developer and we pursue world-class urban areas and services that we can proudly pass on to the next generation. By engaging in businesses with intrinsic value, we gain formidable brand power in urban development and related services, to provide “urban areas of choice” that are valued by all generations and develop organically

[Vision]

“Urban areas of choice” that are valued by all generations and develop organically

Material Issues

Maintenance and enhancement of urban functions

Customer satisfaction

Quality of products and services

Resilience

Contribution to local communities

Lifestyle change

Increase in business costs (materials, fuel costs, labor shortages, etc.)

Risks

- ① Sideline of existing business model due to lifestyle change, decrease in value of owned assets, and disengagement of customers
- ② Delays in promoting development due to cost increases
- ③ Loss of trust and disengagement of customers due to delays in recovery from disasters and insufficient risk response capacity

Opportunities

- ① Stable increase in profit and business opportunities due to longstanding and ongoing trust in product and service quality and its wider impact
- ② Acceleration of differentiation and increase in earning opportunities due to expansion in the potential of the Otemachi, Marunouchi, and Yurakucho districts
- ③ Increased opportunities in International Business by leveraging domestic track record and know-how



Urban Development and Services Related Initiatives

Fourth Phase of the Chain Urban Renaissance Project in Otemachi Realizing Future-Oriented Values at TOKYO TORCH

In September 2023, Mitsubishi Estate commenced construction of Torch Tower in the TOKYO TORCH district in front of the Nihonbashi Exit of Tokyo Station, a mixed-use development project that constitutes the fourth phase of the Chain Urban Renaissance Project in Otemachi, which has been an ongoing venture for 20 years. Located adjacent to Tokyo Station, Torch Tower—which will become Japan’s tallest skyscraper at approximately 390 m—features offices and large-scale retail properties in addition to an observation deck, rental apartments, a luxury hotel, and an entertainment hall, with completion scheduled for 2028.

The Chain Urban Renaissance Project in Otemachi started in 2003 as a project integrating a rezoning effort implemented by the Urban Renaissance Agency and urban development led by landowners and business partners to renovate functions in the area, where buildings and urban infrastructure facilities had deteriorated significantly. The project will realize four large-scale mixed-use redevelopment projects over a period of 25 years, including the TOKYO TORCH district.

Guided by its long-term perspective on urban development, Mitsubishi Estate has participated in all four redevelopment phases in capacities that include landowner and business partner. Through its involvement in modernizing buildings; creating vibrancy through the development of retail properties, hotels, and other amenities in the Otemachi area, which was best known previously as an office district; improving aboveground and underground pedestrian networks; and updating and developing urban infrastructure facilities, such as electricity substations, utility tunnels, a sewage treatment facility, data centers, and disaster support facilities, the Company has been central to the ongoing updates of functions throughout the area.

When the project began, 70% of the buildings in the Otemachi area were more than 30 years old. Since then, over half of those have been redeveloped, transforming Otemachi into both an international business center and a vibrant area with a diverse range of functions.

Torch Tower marks the culmination of the TOKYO TORCH district development and the Chain Urban Renaissance Project in Otemachi. In developing this extensive and symbolic district, Mitsubishi Estate will engage in future-oriented measures related to the sustainability of people, the city, and the global environment, developing the functions needed for the future of Japan and the global city of Tokyo to create a new landmark that will illuminate Japan.



Rendering of the TOKYO TORCH district exterior upon completion



View of the low-rise section of Torch Tower from the south side of the district



Otemachi in 2004



Otemachi in 2024



Torch Tower has received Leadership in Energy and Environmental Design (LEED®) BD+C CS Core and Shell Gold precertification under the LEED® rating system for new buildings and expects to receive Gold certification upon its completion.

This project has achieved precertification under the LEED® green building program



Torch Tower has received WELL precertification under the WELL Building Standard® and expects to receive Gold certification upon its completion



Marking the 50th Anniversary of the Opening of Izumi Park Town and Looking Ahead to Its Future

In 2024, Izumi Park Town (Sendai, Miyagi Prefecture), which the Mitsubishi Estate Group develops and manages, celebrated the 50th anniversary of its opening. The Group began work on this suburban housing development—among the largest urban development projects to be undertaken solely by a private-sector operator in Japan at a total development area of 1,074 hectares and home to more than 10,000 households—in the high-growth period of the 1960s, when there was a pressing need to develop high-quality residential environments nationwide. Through this unprecedentedly large project, the Group realized a new style of urban living in harmony with nature, with the aim of creating a model case to address issues faced by cities.



Development of this extensive site has advanced gradually while incorporating changes in society over time to realize a well-balanced distribution of various functions—such as housing, retail properties, schools, medical facilities, and hotels—and coexistence with nature, establishing the Izumi Park Town brand as a housing development in the suburbs of Sendai that is home to a diverse range of households.

Today, on the 50th anniversary of its opening, urban development at Izumi Park Town has entered a new phase. In May 2019, the town was selected as a priority promotion project under the Ministry of Land, Infrastructure, Transport and Tourism's Smart City Model Program in response to changes in its environment. Under this program, we are working to address social issues faced by suburban housing developments, with a focus on Asahi, a new district created in 2022. Mitsubishi Estate's urban development efforts at Izumi Park Town will continue well into the future.



Launch of first phase of Takamori sales in 1974



Panoramic view of Izumi Park Town



Further Strengthening of Public–Private Cooperation a Century on from the Great Kanto Earthquake of 1923: Holding of the 97th People × City Disaster Drill

In September 2023, the 100th anniversary of the Great Kanto Earthquake, the Mitsubishi Estate Group held a comprehensive drill centered on the Marunouchi area in preparation for a major disaster through public–private cooperation with the Metropolitan Police Department and the Tokyo Fire Department and with the participation of approximately 2,000 employees. The occasion marked the Group's first large-scale drill in cooperation with the Metropolitan Police Department in the Marunouchi area. With the aim of enhancing disaster resilience throughout the area in cooperation with customers, employees of tenant companies in the Marunouchi Building and the Shin-Marunouchi Building also took part in the drill.

Mitsubishi Estate's history of preparing for disasters can be traced back to the Great Kanto Earthquake, when the Marunouchi area—which had avoided damage—became a hub for relief and support efforts for earthquake victims while also accepting the temporary relocation of over 400 entities, including government agencies, banks, and companies, serving as a center for disaster recovery and undertaking the core functions of political and economic activities until Tokyo's recovery.

Today, the entire Mitsubishi Estate Group has inherited this DNA, establishing policies for responding to disasters and measures to ensure proper and prompt recovery through the Emergency Response Manual, the Disaster Response Manual, and other materials covering the entire Group, in addition to taking preventive measures and holding regular drills. Mitsubishi Estate continues to earn the trust of its customers by offering resilience through safe and secure urban development.



Firefighting drill led by the Tokyo Fire Department at the Shin-Marunouchi Building



Guests offering remarks at People × City Disaster Drill



The Global Environment

Maintain commitment to reducing environmental impact

In order to fulfill our responsibility to the global environment and realize sustainability, we will maintain our commitment to minimizing environmental impact in our corporate activities and will seek to enhance corporate value as a leading environmentally-friendly company. By realizing a recycling-oriented society, preserving healthy forests, conserving and restoring biodiversity, and thereby creating positive impact, we will create an environment in which our business can operate in a sustainable manner.

[Vision]

Realization of sustainable urban areas and global environment

Material Issues

Climate change, greenhouse gas and embodied carbon reduction

Waste reduction and circularity

Supply chain (environmental)

Biodiversity

Risks



- (1) Loss of sustainability in our business environment due to changes in the global environment
- (2) Increase in costs due to compliance with environment-related regulations and guidelines
- (3) Disengagement of customers and decrease in profit opportunities due to failing to comply with environmental requirements of customers

Opportunities

- (1) Differentiation of products and services and acquisition of new business opportunities and customers through innovative responses to the environmental issues
- (2) Acquisition of business opportunities through utilization of existing building stock through such measures as large-scale building and residential renovations leveraging know-how
- (3) Enhanced investor engagement and increased stock market presence through proactive information disclosure



Targets

<p>CO2 and other GHG emissions reductions</p> 	<ul style="list-style-type: none"> ● Reduce Scope 1 and 2 emissions by a total of 70% or more and Scope 3 by 50% or more by fiscal 2030 compared with fiscal 2019 ● Achieve net-zero emissions by 2050 (reduce Scope 1, 2, and 3 by 90% or more. Neutralize residual emissions^{*1}) (Targets approved by the SBT initiative^{*2} in June 2022)
<p>Percentage of electricity derived from renewable energy</p> 	<p>100% by fiscal 2025 (Joined RE100)</p>
<p>Waste emissions</p>	<p>Reduce emissions per square meter by 20% by fiscal 2030 compared with fiscal 2019</p>
<p>Waste recycling rate</p>	<p>90% by fiscal 2030</p>
<p>Procurement of timber in countries with low risk of illegal logging only, including Japan-grown timber^{*3}</p>	<p>Achieve 100% by fiscal 2030</p>

*1 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.

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

*3 Applies to procurement of timber in the Mitsubishi Estate Group’s own value chain



The Global Environment Related Initiatives

Japan's First ZEB-Certified Airport Terminal Commencing Solar Power Generation at Miyako Shimojishima Airport

Managed by the Mitsubishi Estate Group, Miyako Shimojishima Airport in Miyakojima, Okinawa Prefecture, obtained Zero Energy Building (ZEB) Ready certification by improving its thermal insulation performance through the incorporation of cross-laminated timber (CLT) into the structural materials of its roof—a first for an airport in Japan—and promoting proactive efforts to leverage natural energy. As an environmentally friendly airport, it will begin a project to generate solar power to further enhance its environmental performance.

The airport will achieve net-zero energy consumption by installing solar panels and storage batteries on neighboring land and consuming all electricity generated at the terminal to address an issue unique to remote islands, namely, a lack of nearby surplus renewable energy and difficulties in purchasing renewable energy from external sources. Power generation is scheduled to begin in April 2025. With this initiative, the Group will ensure that Miyako Shimojishima Airport becomes the first airport terminal in Japan to obtain ZEB certification, the highest level available, and expand environmental measures in various businesses.



Miyako Shimojishima Airport Terminal



CLT roof

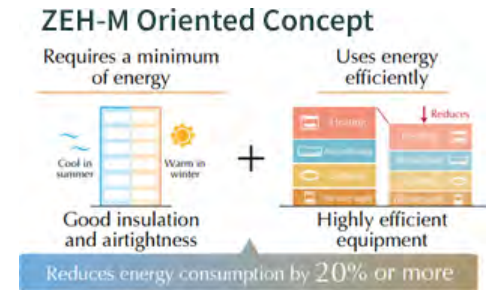


Aiming to Achieve a Decarbonized Society by Ensuring Condominiums Meet the ZEH-M Oriented Standard

In its strategies to reduce its CO₂ emissions, Mitsubishi Estate Residence has adopted a target of achieving a 50% reduction in emissions by 2030 compared with its fiscal 2019 level. As part of efforts to achieve this target, it will aim to obtain ZEH-Oriented certification for all the condominiums and rental apartments it offers from 2025.

As an example, The Parkhouse Matsudo Honcho (scheduled for completion in late March 2025) has adopted ECO ONE (hybrid water heater and heating system manufactured by Rinnai Corporation), which helps meet the ZEH standard by reducing CO₂ emissions significantly, and installed solar panels and outlets for charging electric vehicles (in certain locations). Through these efforts, The Parkhouse Matsudo Honcho will meet the standard for ZEH-M Oriented certification along with that for low-carbon buildings defined in the Low-Carbon City Act.

The Mitsubishi Estate Group will continue to promote environmental initiatives through its housing businesses.





Renovation Business Promoting the Effective Use of Building Stock in Cities in Japan and Overseas

Amid a growing number of aging and deteriorating buildings in Japan, the Mitsubishi Estate Group is expanding efforts to address issues through renovations by ensuring that Group companies leverage each other's know-how to meet societal demands for the effective use of such buildings, incorporating the perspectives of the consideration for global and local environments and population dynamics in Japan. In particular, leveraging assets effectively together with developers for use over the long term is ingrained in the DNA of Mitsubishi Jisho Design Inc., which has served as Mitsubishi Estate's in-house design office for much of its 130-year history. The major renovation of the Otemachi Building enabled Mitsubishi Jisho Design to fully demonstrate its capabilities. The building was more than 60 years old, having been completed in 1958. Rather than rebuilding it, Mitsubishi Estate chose to use its original structure and materials with the aim of creating a building to last 100 years. Completion of highly challenging renovation work at a building with tenants that is directly connected to the subway lines of Otemachi Station was achieved in May 2022, thanks to Mitsubishi Jisho Design's design techniques and skills in supervising the work and by consolidating the know-how of all parties involved. In addition to fully refurbishing the building's infrastructure, the renovation provided added value by creating new networking spaces where people and companies can meet, including the introduction of networking functions throughout the building to enable venture companies and start-ups to interact with one another. In environmental terms, in addition to achieving a significant reduction in the amount of waste and construction materials compared with developments involving demolition and new construction, the renovation lowered future building management costs by using alkali-resistant, glass fiber reinforced concrete (GFRC), which is more durable and fire resistant than regular concrete, as the principal material for the exterior. In addition, the introduction of LED lighting and the adoption of low-emissivity (low-E) double glazing with superior thermal insulation and window frames with embedded sunshades improved the building's environmental performance, including achieving energy savings from reduced heat load (reduction of approximately 44%)



Otemachi Building before renovation



Otemachi Building after renovation



The Group's efforts to make effective use of existing building stock also extend overseas.

The development of 600 Fifth—an office building in Washington D.C. (the capital of the United States) on which Mitsubishi Estate New York Inc., Rockefeller Group International, Inc. (the Group's U.S. subsidiary), and Taisei USA LLC have commenced work as a joint venture, will minimize the construction period, costs, and environmental load through a renovation plan to utilize the original structure, and add four new levels to the existing eight-floor building to create 11 floors plus a penthouse through creative construction techniques.



Original building (former headquarters of the Washington Metro Area Transit Authority)



Rendering of project exterior

Meanwhile, in the United Kingdom, we conducted the large-scale renovation of Warwick Court, an office building forming part of the redeveloped district of Paternoster Square (completed in 2003), next to St. Paul's Cathedral, a historic building and symbol of London. Completed in July 2022, the renovation made full use of the building's original exterior and structure to transform it into an office building that meets the demands of the new era, enhancing well-being and reducing environmental impact.

The Mitsubishi Estate Group will expand its business activities globally and create assets responsibly using the credibility and brand power it has amassed through continuous pioneering efforts in tune with the times.



Paternoster Square, a mixed-use development project



Warwick Court



Respect for people

Consider people, empathize with people, protect people

We create urban areas that embrace people's lives and lifestyles, value the connections between people, and enable each and every individual to spend time productively. We take business and human rights issues seriously, creating environments that physically and mentally fulfill the people who live, work, and relax in them, and aim for urban development and services that help diverse people to live happily.

[Vision]

A society where diverse people can work and live happily

Material Issues

Low birthrate and aging population

Supply chain (society)

Urban development and stakeholder DE&I promotion

Urban development and the wellness of people

Industrial safety and health

Business and human rights

Risks

- (1) Loss of supply chain continuity and reputation due to inadequate human rights and occupational health and safety compliance
- (2) Mismatch between supply and demand due to inadequate support for diversity of urban areas and services and society with low birthrate and aging population
- (3) Outflow of human resources and decrease in employee engagement and competitiveness due to inadequate support for internal diversity

Opportunities

- (1) Increase in competitiveness over the medium to long term due to industry-leading human rights initiatives
- (2) Creation of opportunities to develop and manage types of assets that give consideration to diversity
- (3) Value added to urban areas and services and increase in opportunities to acquire customers through promotion of wellness measures



Targets

Percentage of female managers	Over 20% by fiscal 2030, 30% by fiscal 2040, and 40% by fiscal 2050
Use of timber specified in Sustainable Sourcing Code for concrete formwork panels (certified timber and Japan-grown timber)	100% by 2030

* 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.



Respect for people Related Initiatives

Developing Residences Catering to Diverse Lifestyles

Mitsubishi Estate Residence is expanding asset development businesses other than condominiums in accordance with the declining birthrate and aging population and increasingly diverse lifestyles. Positioning the development of housing for seniors, which offers high-quality residences and enriched lifestyles to seniors, as a new business pillar, it is currently developing 20 properties in the Tokyo Metropolitan area as healthcare assets and will promote residential developments under a new brand together with HIMEDIC, Inc. (Resorttrust Group), a company operating Senior Lifestyle and Medical businesses, with which it concluded a joint venture agreement in November 2023. Mitsubishi Estate Residence also plans to open the Kamakura Iwase 1-chome Project—work on which began in October 2023—as a commercial assisted living residence, the company's first joint development with Sompo Care Inc., which operates a nursing care business in the SOMPO Group, accelerating its contribution to the creation of new lifestyles for seniors.

Meanwhile, as ensuring access to education for all students and developing environments to facilitate it becomes increasingly important, Mitsubishi Estate Residence has developed seven residences for students since it first took part in the development of such residences in 2018. Along with a plan emphasizing privacy in accordance with the times, the company supports the enriched lifestyles and future endeavors of students through the provision of nutritious meals with the establishment of a dining lounge and the creation of facilities to encourage interactions among students.



Charm Premier Grand Gotenyama (commercial assisted living facility)



The Park Hive Sendai Hasekura (student condominium)



Promoting a Co-Living Business Tailored to Increasingly Diverse Workstyles and Lifestyles and Globalization

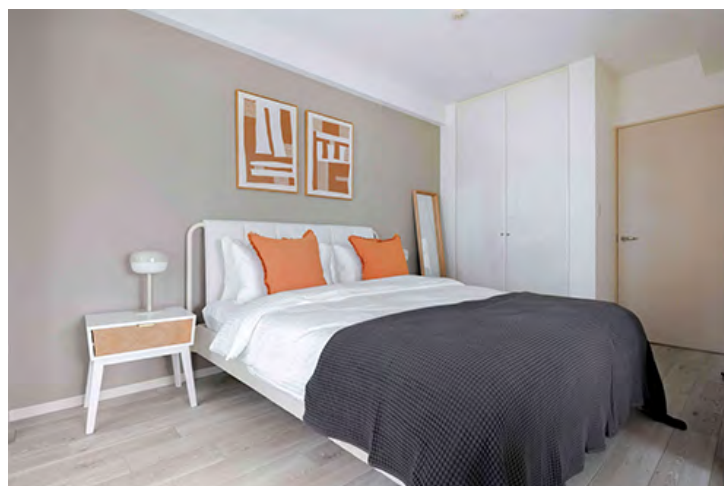
Mitsubishi Estate expects that increasingly diverse lifestyles globally will lead to growing demand for rental apartments offering greater flexibility. With this in mind, it established a joint venture company with Singapore-based Hmlet Pte. Ltd. (currently Habyt Pte. Ltd.) in 2019, taking the lead in launching a co-living business in Japan to incorporate a community development concept into rental apartments for medium- to long-term residents. In the wake of the COVID-19 pandemic, with the number of foreign residents in Japan exceeding the pre-pandemic level, Japan has become an attractive place to stay for digital nomads. Non-Japanese residents from more than 50 countries occupy approximately 80% of the roughly 850 rooms in operation at Hmlet's 45 locations (as of June 2024).

In anticipation of the further expansion of these new ways of living, Mitsubishi Estate concluded an exclusive licensing agreement in Japan with Blueground Holdings Ltd., which operates over 15,000 rooms in 17 countries and 34 cities globally, to bolster its flexible rental apartment business (flexible living business), which includes the co-living business.

By further expanding our flexible living business, we will meet demand arising from increasingly diverse lifestyles in Japan and overseas.



Hmlet Sangenjaya



Blueground Park Place Mita



Aiming to Create Communities and a Society Where Everyone Can Play Active Roles with Peace of Mind

Mitsubishi Estate, which aims to promote diversity, equity, and inclusion (DE&I) in society through urban development, is accelerating a variety of measures on the basis that further understanding and promotion of DE&I within the Company is essential to achieving this goal. In January 2024, recognizing that promoting the active role of women is critical to conducting management and operating businesses, Mitsubishi Estate became the first real estate company in Japan to endorse the Women's Empowerment Principles (WEPs), clarifying the position of gender equality in its management by signing a statement declaring that it will act based on the WEPs.

Establishing high-level corporate leadership in gender equality is one of the WEPs. Mindful of this, to identify issues through opportunities for members of the management team to communicate with frontline employees, Mitsubishi Estate held a luncheon in March 2024 where employees and executives could talk freely about future career plans, issues, and other topics. The Company plans to hold several such gatherings going forward.

Meanwhile, as of April 2024, we regard same-sex partners and their families in the same way as heterosexual marriages and define them as such in various internal programs.

In this way, we are creating vibrant workplaces through respect for individual human rights and diverse ways of thinking, as set forth in the Mitsubishi Estate Group Code of Conduct.

In support of

WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the
UN Global Compact Office



Luncheon with outside directors and employees



Luncheon with President & CEO Nakajima and employees



Promoting Initiatives to Establish a Sustainable Supply Chain

The Mitsubishi Estate Group has led the way in the real estate industry in advancing various measures aimed at strengthening supply chain management from the perspectives of business and human rights and of environmental conservation. In fiscal 2023, along with its usual surveys using a questionnaire, the Group conducted in-person interviews of those working on construction sites.

Through these efforts, we endeavor to gain a better understanding of the circumstances in the supply chain. In addition, believing that it has a duty to identify risks in relation to construction materials, the Group has begun conducting traceability surveys with the cooperation of suppliers for construction materials designated as high risk through the due diligence process. Moreover, we have begun the introduction of a consultation and grievance contact service for non-Japanese workers, which we are expanding steadily at relevant sites, to establish a grievance mechanism for non-Japanese workers employed at construction sites.

Meanwhile, the Construction and Real Estate Human Rights Due Diligence Study Group, established in 2018 with Mitsubishi Estate as the organizing company, transitioned to become the Construction and Real Estate Human Rights Due Diligence Promotion Council in 2023 to further develop its activities, with Mitsubishi Estate spearheading the council's efforts. The council conducts surveys and research continuously to raise the level of human rights throughout the industry through collaboration among companies that face the same issues in the construction and real estate industry.

Although the establishment of our ideal supply chain remains a work in progress, we will fulfill our responsibility as a leading company in the industry and continue working to contribute to the sustainable development of our supply chain and of society.



Consultation and grievance contact service for non-Japanese workers



Value Creation

Create and circulate new value

We will prevent the stagnation of the Group's business model and develop businesses that match and anticipate the times by continuing to create new value through innovation. Through co-creation and collaboration with diverse partners, we will create value that we cannot achieve alone, update lifestyles, and foster affluence and convenience that match the times.

[Vision]

Anticipating changing times and fostering affluence and convenience

Material Issues

Innovation

Partnership

Risks

- (1) Slowdown in growth and decline in competitiveness due to mediocrity in urban development and services and delays in updating existing businesses
- (2) Slowdown in growth due to delays in diversification and globalization of business owing to absence of outstanding partners

Opportunities

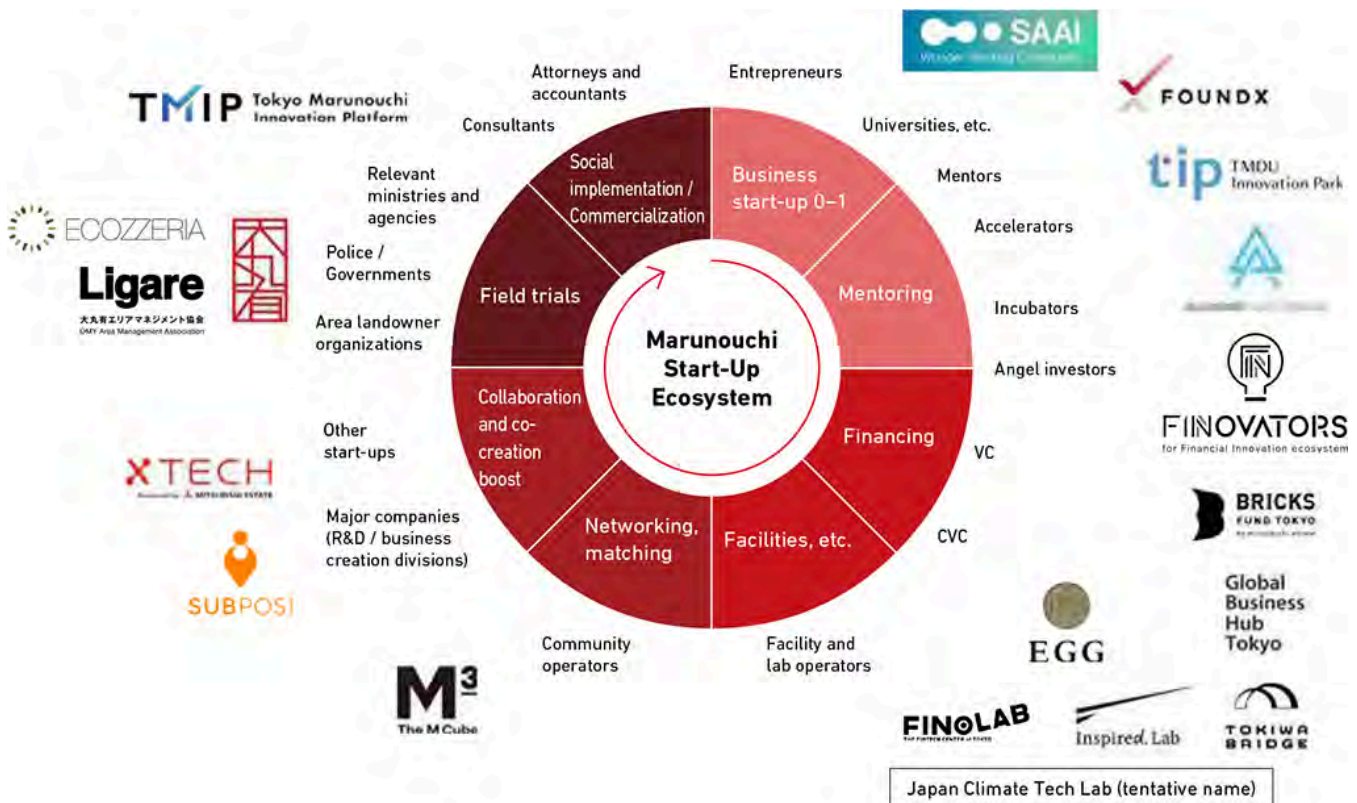
- (1) Urban diversification, differentiation, and acquisition of competitive edge through provision of innovative development schemes and services
- (2) Expansion of business opportunities and fields and provision of value added that cannot be achieved alone through diverse partnerships



Value Creation Related Initiatives

Building an Incubation Ecosystem for Innovation

With a history spanning a quarter of a century, Mitsubishi Estate’s support for start-ups and promotion of incubation efforts focusing on the Marunouchi area (Otemachi, Marunouchi, and Yurakucho) dates back to 2000, when it established an organization that assisted venture companies. Since then, always in touch with the times, Mitsubishi Estate has engaged in the operation of seven facilities and communities, including the creation of EGG JAPAN (currently EGG), an incubation office for early-stage start-ups that was a pioneering initiative in Japan in 2007; FINOLAB, Japan’s first fintech hub; and Inspired.Lab, which focuses on the deep tech field. In fall 2024, the Company plans to open Japan’s first incubation hub dedicated to the climate tech. Meanwhile, we are advancing academic collaborations with Tokyo University, Tokyo Medical and Dental University, and Hitotsubashi University. Through these endeavors, we will boost efforts to create new value for society by building an incubation ecosystem through collaboration with players in industry, government, and academia centered on the Marunouchi area.



Mitsubishi Estate’s Start-Up Ecosystem

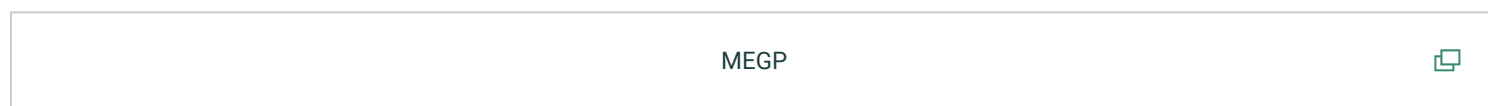


Investment Management Business Using Bases in Japan, the United States, Europe, and Asia Operating the MEGP Platform

Since listing Japan's first real estate investment trust (REIT) on the Tokyo Stock Exchange in 2001, Mitsubishi Estate has led the creation of new markets and investment opportunities through the integration of finance and real estate. Its management of a global real estate portfolio through Mitsubishi Estate Global Partners (MEGP), a global investment platform established through a particularly strategic M&A track record, is without precedent in the real estate industry, and MEGP's assets under management have grown to reach ¥5.7 trillion.* Through the ongoing expansion of MEGP's portfolio, the Mitsubishi Estate Group will meet the needs of investors around the world for long-term, stable management while raising the environmental performance of real estate globally and offering sustainable real estate assets to communities by maintaining the Group's policy of responsible management.



* As of March 2024 for Japan and December 2023 for overseas investors





Business Model Innovation through Co-Creation with a Wide Range of Partners

Mitsubishi Estate promotes new business creation and open innovation leveraging its accumulated business assets, capabilities, and know-how with the aim of spurring change of its own accord to realize business transformation: business model innovation for creating value that enriches future generations.

BRICKS FUND TOKYO, our corporate venture capital (CVC) fund launched in April 2022 for engaging in the co-creation of growth industries, established three investment themes (new lifestyles, paradigm shifts in existing industries, and sustainability) and 12 focus areas to accelerate investment in promising impact areas on the concept of co-creating impact, supporting transformation, and building the foundations for the future together with others.

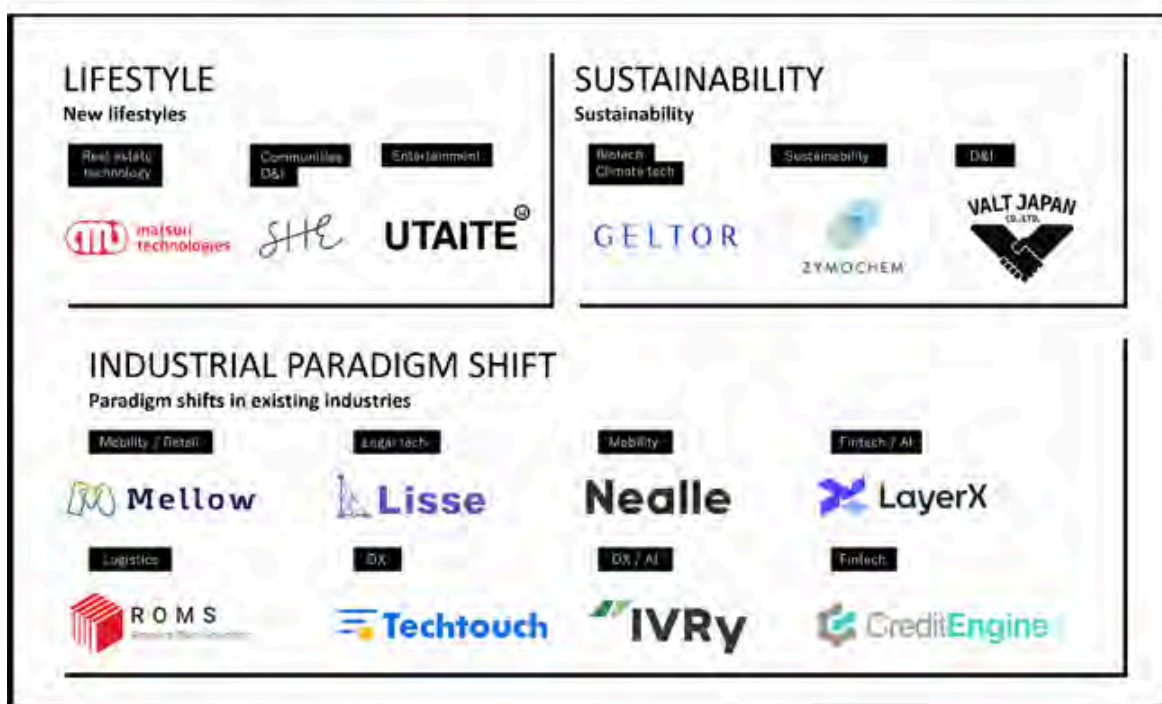
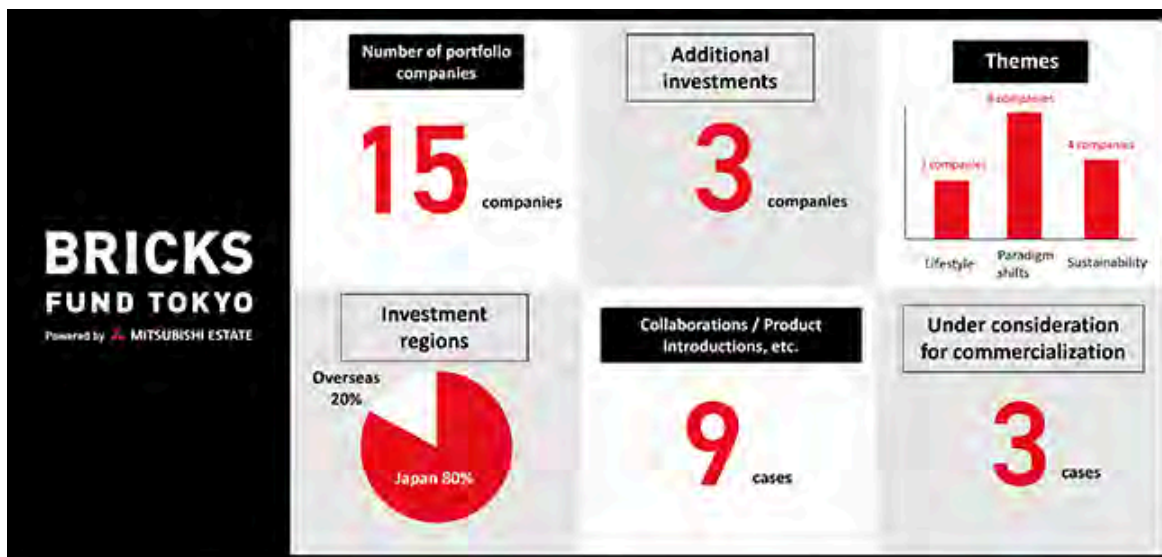
The fund aims to contribute to improvements in corporate value over the medium to long term and create growth companies by providing investment targets with social implementation support, such as management support drawing on the Group's management infrastructure, field trials in the Marunouchi area and elsewhere, business co-creation, and collaboration.

We expect our total investment in start-ups and venture capital companies in Japan and overseas to come to ¥50.0 billion on a cumulative basis (including commitments) by the mid-2020s. Along with investment and business support for start-ups that take on the challenge of creating social impacts over the medium- to long-term, such as addressing social issues and transforming industrial structures, we will create value that enriches future generations by promoting open innovation.

Meanwhile, through open innovation with a diverse range of partners, Mitsubishi Estate creates new businesses—including elevator advertising and 5G infrastructure sharing businesses—backed by its core competitiveness. It also operates the Mitsubishi Estate Group Innovation Challenge (MEIC), a new business proposal system for Mitsubishi Estate and Group company employees to encourage them to take on challenges with the goal of creating new businesses and promoting Groupwide innovation that helps diversify the Group's sources of earnings and strengthen its core business. Businesses produced through the system include Ecofurni, a business that resells used furniture, and GYYM, a reservation support service for fitness facilities.

BRICKS FUND TOKYO





BRICKS FUND TOKYO Activity Results (April 2022-April 2024)



Examples of new businesses created through open innovation and MEIC



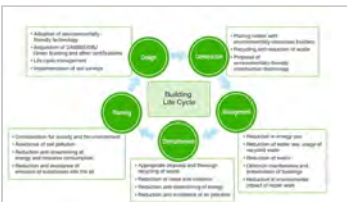
ESG Report / ESG Data Environment

Sustainable Cities for a Sustainable Earth



Policies and Targets

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Environment Policies and Targets

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

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

The Group will further deepen its initiatives through such means as introducing electricity derived from renewable energy and utilizing new technologies, thereby contributing to the realization of a low carbon footprint society.



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



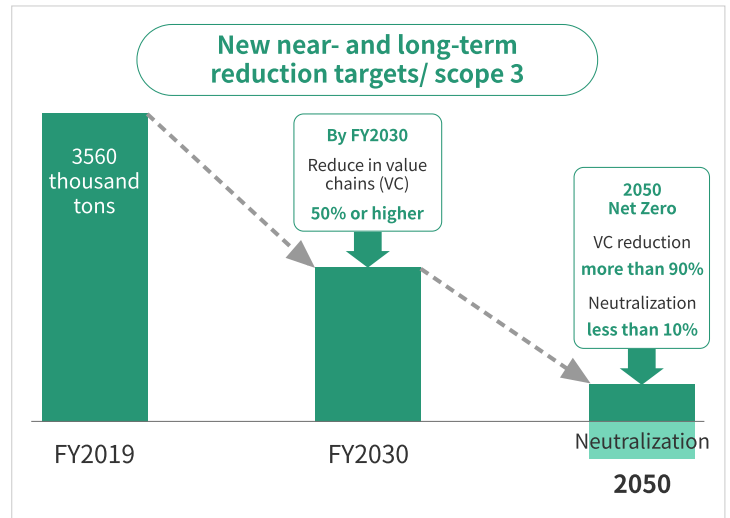
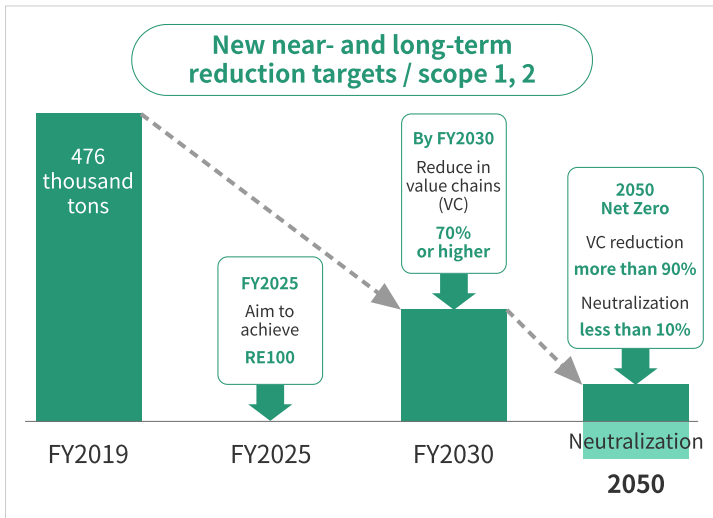
Mitsubishi Estate Group Medium- to Long-Term Greenhouse Gas Emissions Reductions Targets

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

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

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

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



See the following for data on greenhouse gas emissions.

[ESG Data > Environmental Data](#)





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

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

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





Mitsubishi Estate Group Basic Environmental Policy

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

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

1. Building a low-carbon society

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

2. Creating a sound material-cycle society

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

3. Fostering harmony between nature and human society

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

4. Promoting environmental communication

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

5. Increasing employees' ecological awareness

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

Established on May 1, 2004

Revised on January 1, 2006 and April 1, 2010



The Mitsubishi Estate Group Green Procurement Guidelines

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

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

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

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

01 Conservation of Energy
and Resources

02 Reduction of
Environment Pollutants

03 Preservation of
Biodiversity

04 Long-Term Usability

05 Recyclability

06 Use of Recycled
Material

07 Ease of Treatment and
Disposal

08 Curtailment of Total
Volumes Procured

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





Mitsubishi Estate Group Timber Procurement Guidelines

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Timber Procurement Guidelines based on the Mitsubishi Estate Group Basic Environmental Policy to ensure no forest destruction or deforestation and the protection of biodiversity in the procurement of timber in the Mitsubishi Estate value chain.

The timeline for the measurement of progress in the achievement of the guidelines is fiscal 2025 as a milestone (goal: minimum 90% achieved) and fiscal 2030 as the target year for achievement.

The guidelines were established with supervision from WWF Japan.

<Target>

We only source timber grown in countries where the risk of illegal logging is deemed low, including Japan-grown timber.

Achieve 100% by FY2030

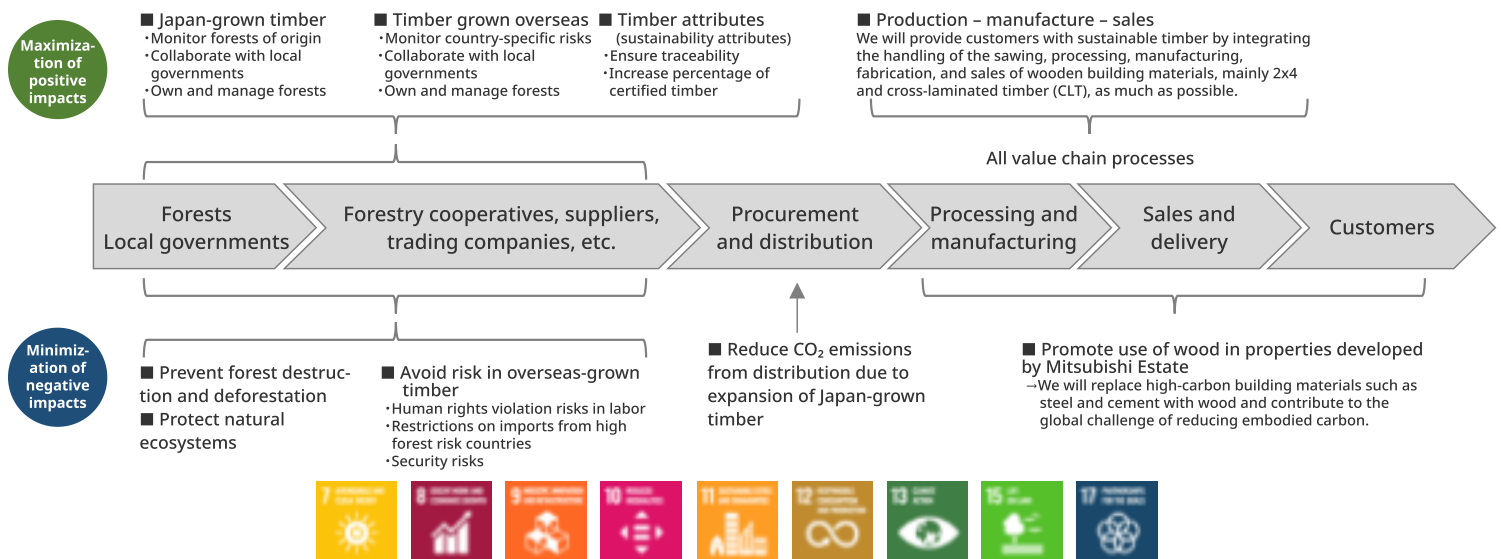
→ A low-risk score of 91 or higher based on the individual country forest risk assessment provided by Preferred by Nature

Mitsubishi Estate Group Timber Procurement Guidelines (PDF 86KB)



Mitsubishi Estate Group Timber Procurement Value Chain Impact Mapping

The Mitsubishi Estate Group will provide society with sustainable timber by maximizing positive impacts and minimizing negative impacts in business operations related to timber procurement based on the following mapping of the value chain, in order to address deforestation and climate change risks and protect natural ecosystems.






Environment Promotion System

Environmental Promotion System

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

Monitoring Group-Wide Environmental Initiatives

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

Building and Implementing an Environmental Management System

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

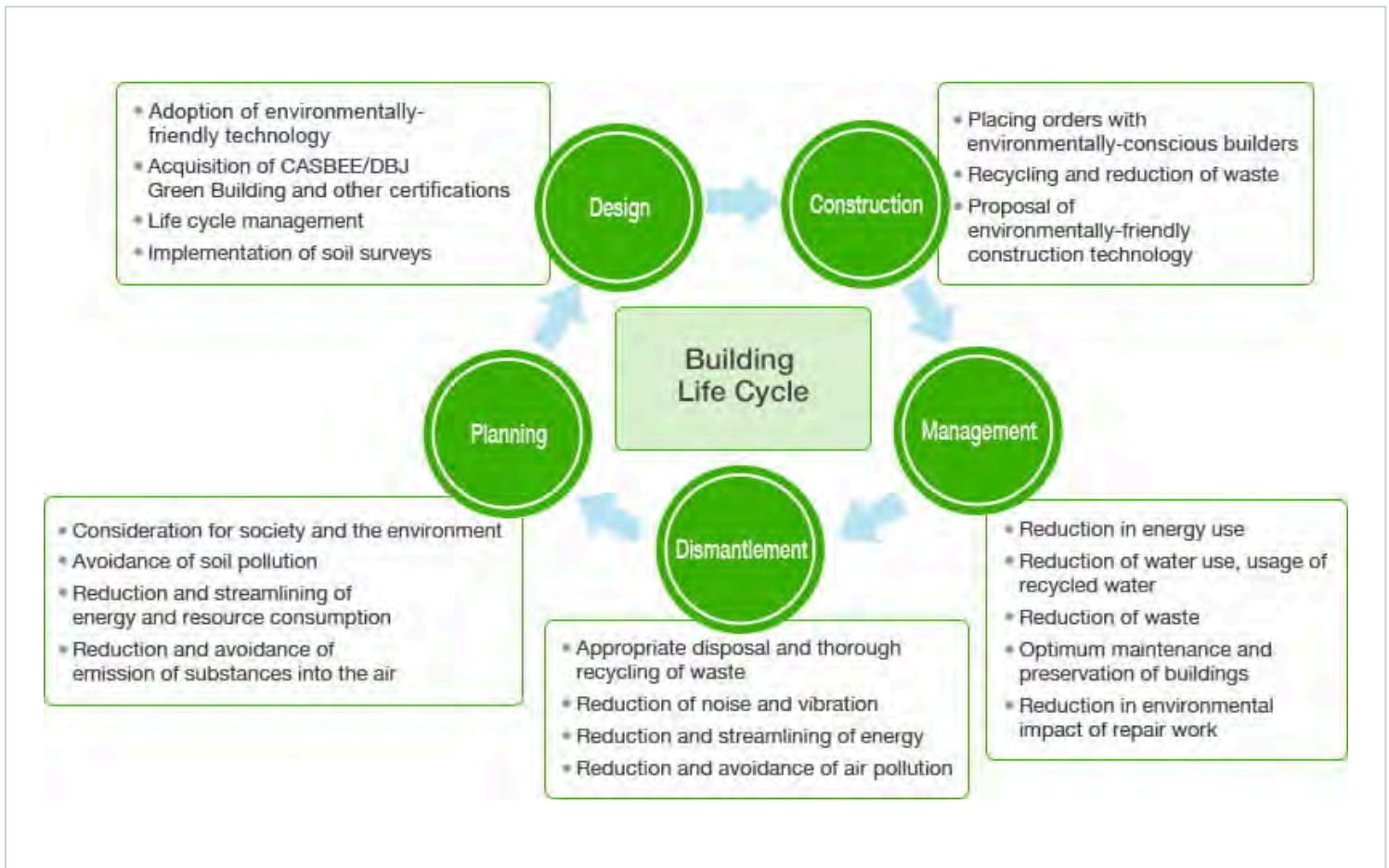
EMS provides companies with a framework to help achieve environmental goals effectively by setting specific targets and assessment systems and utilizing the PDCA cycle to ensure continual review and improvement. The Mitsubishi Estate Group establishes targets and works to improve its environmental performance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



Approach to Building Life Cycle

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

Environmental considerations during a building's life cycle





Environment

Information Disclosure Based on TCFD Recommendations

On February 3, 2020, Mitsubishi Estate announced its support for the recommendations of TCFD*.

In May 2020, the Company disclosed such information as governance, strategies, risk management, metrics and targets on climate change risks and opportunities in accordance with the framework recommended by TCFD.

In May 2023, in order to enhance the scope of information disclosed, the Company adopted the Carbon Risk Real Estate Monitor (CRREM), which analyzes transition risks (risks which could result from the process of transition toward a lower-carbon economy), in addition to its existing analysis of two scenarios, including one with the less than 2°C target required by the Paris Agreement, and analyzed the future impact of climate change on the core business of the Mitsubishi Estate Group.

Going forward, the Company will continue to enhance the information disclosed while improving governance and business strategies related to climate change.



* The PDF dated May 10, 2024 has been updated partially with a revision made to the Mitsubishi Estate Group Policy on Climate Change as a result of the revisions of the key themes related to sustainability in Long-Term Management Plan 2030 published on the same date.

[Information Disclosure Based on TCFD Recommendations \(published on May 10, 2024\) \(PDF 971KB\)](#)



[Information Disclosure Based on TCFD Recommendations \(published on May 24, 2023\) \(PDF 777KB\)](#)



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

● RCP 8.5 (flood damage assessment by nation)

● IEA STEPS

● IEA SDS

● IEA 2DS

● CRREM

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



Climate-related risk assessments

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

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

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



Environment

Climate Change Strategies

Basic Policy and Approach

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

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

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

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

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

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

*2 [JCLP website](#) 



Goals and Achievement Status

Goals

Under the basic policy and approach described above, the Mitsubishi Estate Group has formulated medium-to-long term reduction targets for the Group's overall greenhouse gas emissions. In April 2019, these targets were approved as being based on scientific evidence by the Science Based Targets (SBT) initiative. In March 2022, the Group revised its targets in line with the Net-Zero Standard published by the SBTi in October 2021 based on its 1.5°C scenarios (Targets approved by the SBT initiative in June 2022).



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



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

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

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

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

- Achieve 100% group-wide by fiscal 2025



Achievement Status

In order to achieve the targets above, the Group is implementing measures such as the use of high-efficiency equipment in the operation of office buildings, which is the Group's core business. In addition, given that factors such as external temperature and building operating conditions impact energy usage, we work with tenants to conserve energy and reduce GHG emissions.

As part of its efforts to reduce Scope 2 emissions, the Group is working to introduce electricity sourced from renewable energy (renewable power) in the properties it owns. The Group also actively takes steps in the properties it develops to obtain certifications, including those for ZEB and ZEH, with the aim of achieving advanced environmental performance and energy efficiency. Furthermore, for building and construction materials, which are the main source of Scope 3 emissions, the Group is enhancing collaboration throughout the supply chain to drive reductions in its development and construction work.

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

[ESG Data > Environmental data > \(1\) KPI > 1. Climate Change \(GHG Emissions, Energy Use\)](#)



Energy Management Initiatives

Utilizing District Heating-Cooling and Cogeneration Systems

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

In the Marunouchi area, new technology has been introduced by taking advantage of building reconstruction within the district heating-cooling network connection area as an opportunity to install a new or updated plant. Constructed in December 2020, the “Supertube” is a highly earthquake-resistant 250-meter long culvert running north to south along Marunouchi Naka-Dori Avenue which is 30 meters underground. The heat supply pipes inside it form an arterial network that will underpin the stable supply of energy in the Marunouchi area. The supply of heat generated by the high-efficiency equipment at the Marunouchi Nijubashi Building plant through the Super Tube will reduce CO2 emissions and increase energy efficiency in the Yurakucho district.

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



Smart Energy Urban Development Action 2050

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

Central to Smart Energy Urban Development Action 2050 is the realization of an urban microgrid that will contribute to energy resilience, climate change countermeasures, and decarbonization in this area. The creation of an urban microgrid contributes to climate change countermeasures and decarbonization during normal times, while also ensuring energy resilience to support business continuity in the area in the event of a major earthquake and other emergencies, thereby maximizing socioeconomic activity of this central business district.

Smart Energy Urban Development Action 2050 has set out three management strategies: (1) supply management strategy, (2) supply and demand management strategy, and (3) linkage and business management strategy. Measures will be implemented in these three directions.

Outline of the Strategies

(1) Supply Management Strategy

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

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

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



(2) Supply and Demand Management Strategy

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

(3) Linkage and Business Management Strategy

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



Promoting Renewable Energy

In achieving its medium-to-long term targets (SBTs) for greenhouse gas emissions reductions and the target for the ratio of renewable power (RE100), the Mitsubishi Estate Group believes that it is imperative to switch the electricity used in the buildings it owns and operates to electricity derived from renewable energy. Based on this recognition, the Group is steadily implementing a switch to renewable power. In fiscal 2022, the rate of renewable electricity reached 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 office buildings in Hiroshima and Sendai. The initiative is still expanding. 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 buildings that have introduced renewable energy.

List of Buildings Introducing Renewable Energy



Procurement of Renewable Energy with Additionality through Virtual PPAs

In November 2023, Mitsubishi Estate concluded virtual PPAs, schemes for trading the environmental value of renewable energy, with two power generation companies in order to accelerate the switch to renewable energy in urban centers where there is a large demand for power such as the Marunouchi area.

A virtual PPA is a scheme that allows power users to contribute to the new development of renewable energy plants regardless of the distance from the area of demand, thereby increasing the volume of renewable power generation. This makes the scheme a new option for power users who find it difficult to generate renewable energy onsite in urban areas.

Some of the power generation has already commenced operation, and the plan is to ultimately procure around 4.4 MW (AC) in non-FIT non-fossil fuel certificates, including power generation that will commence operation in the future. The solar power plants are all newly constructed, which means the virtual PPAs are procurement of environmental value with additionality.* We believe that the scheme for procuring environmental value with additionality provided through virtual PPAs will contribute to its use in the new buildings that will continue to be developed in the future. Some of the environmental value will be supplied to the offices at Mitsubishi Estate’s head office (Otemachi Park Building, Chiyoda-ku, Tokyo).

* The idea is to replace existing thermal power generation by establishing new renewable energy generating facilities, thereby contributing to reduction of GHG emissions. Various international initiatives are starting to put an emphasis on this approach, including its partial inclusion in the technical requirements revised by RE100 in December 2022.



Promoting Use of Renewable Power in Logistics Facilities

Logicross Zama Komatsubara (completed in March 2022), one of the Logicross logistics facilities Mitsubishi Estate develops, obtained Zero Energy Building (ZEB) certification, a first for Mitsubishi Estate, by utilizing an in-house consumption scheme using electricity generated with the facility's solar panels.



Logicross Zama Komatsubara (completed in March 2022)

Promoting Use of Renewable Energy at Premium Outlets®

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



Installed solar panels (Fukaya-Hanazono Premium Outlets)

Fukaya-Hanazono Premium Outlets, which opened in October 2022, is the first Premium Outlets to operate on renewable power for all the electricity used in the facility, including tenant exclusive-use areas. The approximately 8,000MWh of electricity for the entire facility (estimated annual usage) is covered by solar panels and green energy certificates. In addition, the facility features the active adoption of a design that promotes natural light and ventilation, which enhances the environment for visitors in addition to reducing energy consumption.

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



Using Renewable Power in Condominiums

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

Expanding Installation of Solar Panels on Condominiums

Mitsubishi Estate Residence has been working to utilize renewable energy by installing the soleco energy-creation system that combines high-voltage collective power systems with solar power systems in newly built condominiums with more than 40 residential units as a general rule since 2010. Mitsubishi Estate Residence will proceed with installation of solar panels on newly built condominiums for sale with less than 40 residential units where soleco has not been installed, while also introducing “soleco+”^{*} for newly built condominiums for lease.

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

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

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

* Based on research by Mitsubishi Estate Residence



Promoting Energy-Saving Measures

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 Otemachi Gate Building, a high-rise tenant office building, previously known as Uchi-Kanda 1-chome Project, which is scheduled for completion at the end of January 2026. 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, Mitsubishi Estate Residence makes it its 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.



Otemachi Gate Building

Reducing CO2 Emissions in Condominiums for Sale and for Lease

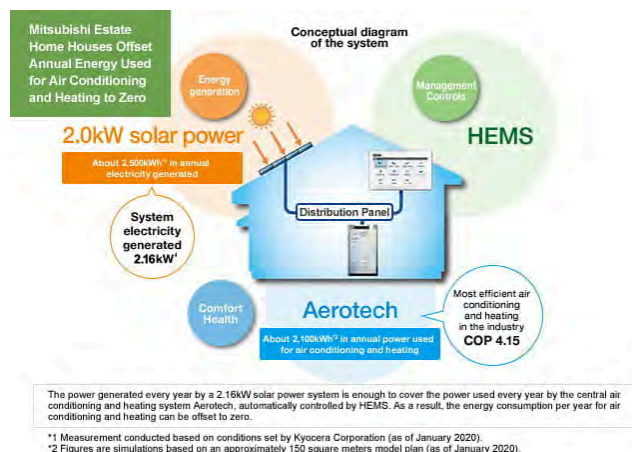
In addition to introducing ZEH-M and renewable energy under the CO2 emissions reduction strategy, Mitsubishi Estate Residence will gradually transition to using concrete mixed with blast furnace cement, which emits fewer CO2 emissions, as a general rule for on-site piling in all new condominiums for sale or rent that it develops as part of its efforts to reduce CO2 emissions during construction.

Since 2013, Mitsubishi Estate Residence has been distributing Condominium Household Account Books to those considering buying a unit in The Parkhouse brand of condominium for sale. This account book presents approximation of utilities and other running costs to be incurred after moving into the condominium and communicates energy conservation performance in monetary value, thereby helping potential customers make more informed purchasing decisions.

Since October 2021, Mitsubishi Estate Residence has been disclosing the CO2 emissions of each unit, which is expected to encourage residents to reduce emissions in their daily lives. In its renovation (purchase and resale) business as well, Mitsubishi Estate Residence provides customers with Energy Conservation Performance Reports, which disclose information on energy performance following the style of the Condominium Household Account Books. Mitsubishi Estate Residence will continue to accelerate its efforts to introduce the ZEH-M standard, renewable energy, and take other initiatives.

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

Aerotech is a central air conditioning system that Mitsubishi Estate Home offers in its custom-built homes. It provides heating, cooling, and ventilation for the home using a single indoor unit. The Aerotech system delivers the industry's top-class heating and cooling efficiency that helps lower power consumption while allowing residents to control room temperatures across the entire residence, including the bath and toilet. Since its debut in 1995, the system has been installed in more than 90% of the company's custom-built detached homes, and is in use in more than 10,000 houses. Aerotech is continuing to evolve as an entire-home air conditioning system pioneer.



Starting October 2019, Mitsubishi Estate Home, in collaboration with a service provider, began offering Zuttomo Solar for Aerotech, a service that provides free installation of solar power generation equipment in detached custom-built homes. By combining solar power generation with features such as Aerotech and the Home Energy Management System (HEMS), CO₂ emissions can be reduced by nearly 361 kg per year compared with homes heated and cooled using individual heat pump air conditioners. Furthermore, the annual power capacity delivered by the solar power generation system (approximately 2,600 kWh equivalent*1) significantly exceeds annual heating and cooling energy expenditures (approximately 2,100 kWh equivalent*1).

Mitsubishi Estate Home established the CO₂ Emissions Reduction Strategy in June 2022. Utilizing its Aerotech and Zuttomo Solar for Aerotech services, the company will continue promoting the Net Zero Energy House (ZEH) and the Nearly-ZEH*2 initiatives (target ZEH percentage by fiscal 2030: 85%) by upgrading the insulation performance of properties, using highly efficient equipment, and making innovations in design techniques.

*1 Figures are simulations by Mitsubishi Estate Home assuming an approximately 150 square meters model plan (as of July 2023).

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



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

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



ZEB Initiatives—Achieving both Net Zero Energy Building and Comfort

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



Working Together with Tenants

Organizing Global Warming Prevention Council Meetings

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

Publication of the Sustainability Guide

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

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

● Main Topics

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

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

PDF

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

PDF



Green Lease Program Benefits Both Owners and Tenants

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

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

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

Establishing New Green Lease Clause

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

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

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





Environment

Publishing the Report on Measures Against Global Warming

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

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

Mitsubishi Estate Report on Measures
against Global Warming (Japanese only)
(PDF 6.4MB)



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



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

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

Fiscal 2023 Minato-ku Global Warming
Countermeasure_report (Fiscal 2022
Results) (Japanese only) (PDF 4.7MB)



Excerpt from Fiscal 2023 List of Registered
Business Sites published by Minato-ku
(Fiscal 2022 Results) (Japanese only) (PDF
225KB)





Environment

List of Buildings Introducing Renewable Energy

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

See the following for the list of buildings introducing renewable energy. (Buildings that have not commenced the switch to renewable electricity are excluded even where an agreement to switch has been concluded.) (As of March 2024)

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

Around Tokyo Station (Otemachi / Marunouchi / Yurakucho)



Marunouchi Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this
property



Shin-Marunouchi Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this
property



Mitsubishi Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this
property



Marunouchi 2-chome Building

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

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



Marunouchi-Nakadori Building

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

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



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

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

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



Marunouchi Eiraku Building

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

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



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

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

*Marunouchi Kitaguchi Building

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



Tokyo Building

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

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



Marunouchi Park Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



Shin-Tokyo Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



Shin-Kokusai Building

Year of introduction: FY2021

For additional details of this property



Kokusai Building

Year of introduction: FY2021

For additional details of this property



Marunouchi Nijubashi Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



Otemachi Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



**Otemachi Financial City
Grand Cube**

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



**Otemon Tower-ENEOS
Building**

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



OTEMACHI PARK BUILDING

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



**TOKYO TORCH Tokiwabashi
Tower**

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



**Otemachi Financial City
North Tower**

Year of introduction: FY2021

For additional details of this property



**Otemachi Financial City
South Tower**

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



Hibiya Kokusai Building

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property



Shin-Otemachi Building

Year of introduction: FY2022

Acquisition of DBJ Green Building
Certification

For additional details of this
property



Shin-Nisseki Building

Year of introduction: FY2022

For additional details of this
property

Other areas in Tokyo



Mitsubishi Chemical Nihonbashi Building

Year of introduction: FY2021

For additional details of this
property



Shinjuku Eastside Square

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property



Shinjuku Front Tower

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property



Shin-Aoyama Building

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property



Akasaka Park Building

Year of introduction: FY2022

For additional details of this property



Sanno Park Tower

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property



Sanno Grand Building

Year of introduction: FY2022

For additional details of this property



Kandabashi Park Building

Year of introduction: FY2022

For additional details of this property



Nibancho Garden

Year of introduction: FY2022

For additional details of this property



Shibuya Cross Tower

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property



Linksquare Shinjuku

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property



Mita Kokusai Building

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property



Toyosu Foresia

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

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

For additional details of this property



Toyosu Front

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property



Mizuho Lease Building

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

For additional details of this property



Nishi-Shimbashi Square

Year of introduction: FY2022

AquaCity Odaiba

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification



SUNAMO Minamisago Shopping Center

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

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

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

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



Ponte Porta Senju

Year of introduction: FY2022

Acquisition of DBJ Green Building Certification

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



Higashikurume Shopping Center Qurune

Year of introduction: FY2022

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



M's CROSS Omotesando

Year of introduction: FY2022



Yokohama



The Landmark Tower Yokohama

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property



MARK IS Minatomirai

Year of introduction: FY2021

Acquisition of DBJ Green Building
Certification

For additional details of this
property

Sendai



Kakyoin Square

Year of introduction: FY2022

Acquisition of DBJ Green Building
Certification

For additional details of this
property



Sendai Park Building

* Our share only

Year of introduction: FY2022

For additional details of this
property



Yomiuri Sendai Ichibancho Building

* Our share only


Year of introduction: FY2022

For additional details of this
property



Jozenji Park Building


Year of introduction: FY2022

For additional details of this
property 



kurax

Year of introduction: FY2022


For additional details of this
property 



IZUMI PARK TOWN Tapio

Year of introduction: FY2022

Acquisition of DBJ Green Building
Certification

For additional details of this
property 



Katsura Garden Plaza

Year of introduction: FY2022



Shopping Garden Caraway

Year of introduction: FY2022

Takamori Shopping Plaza

Year of introduction: FY2022




Teraoka Shopping Plaza

Year of introduction: FY2022



Teraoka Knots

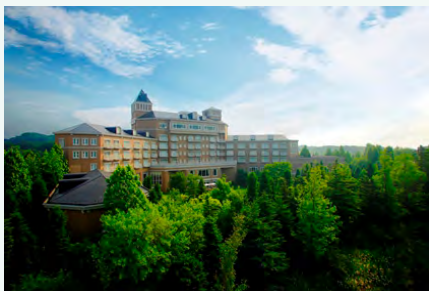
Year of introduction: FY2022

For additional details of this
property 



Murasakiyama Plaza

Year of introduction: FY2022



Sendai Royal Park Hotel

Year of introduction: FY2022

For additional details of this property

Chubu Area



Dai Nagoya Building

Year of introduction: FY2021

Acquisition of DBJ Green Building Certification

For additional details of this property



Osaka



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

Year of introduction: FY2022

For additional details of this
property

Hiroshima



Hiroshima Park Building

Year of introduction: FY2022

Acquisition of DBJ Green Building
Certification

For additional details of this
property



Shin Hiroshima Building

Year of introduction: FY2022

Acquisition of DBJ Green Building
Certification

For additional details of this
property



NHK Hiroshima Broadcasting Center Building

Year of introduction: FY2022

Acquisition of DBJ Green Building
Certification

For additional details of this
property



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

[Promoting Acquisition of Environmental Real Estate Certifications](#)





Environment

Reducing Waste and Preventing Pollution

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

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

Moreover, as part of its efforts to “maintain commitment to reducing environmental impact,” one of the themes of “Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes” set out under the Long-Term Management Plan 2030, the Group has set goals for increasing waste recycling rates and reducing emissions, mainly for food and plastic in the management and operation of its properties, and is working in collaboration with tenants and other stakeholders to achieve a material-cycle society.

Goals and Achievement Status

In waste reduction, preventing pollution, and reducing use of resources, the Group has set goals for 2030 pursuant to the theme of “maintaining commitment to reducing environmental impact” set out in “Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes.” In concrete terms it has set targets for improving the waste recycling rate to 90% by 2030 and reducing waste emissions by 20% per m² compared to fiscal 2019. The Group is implementing initiatives utilizing Plan Do Check Act (PDCA) with the aim of achieving these goals.

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

See the following for the data on reduction of waste.

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





Reducing Waste

Initiatives in Cooperation with Stakeholders and Other Parties

Initiatives at Mitsubishi Estate Headquarters

Under the Long-Term Management Plan 2030, the Mitsubishi Estate Group has set targets of 90% for waste recycling and a 20% reduction in waste disposal (compared to fiscal 2019, 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)



Initiatives in Collaboration with Tenants and Other Parties

Circular City Marunouchi - An Urban Environment for Resource Recycling

The Mitsubishi Estate Group is working on 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). We will continue to promote environmentally-friendly urban development in collaboration with diverse stakeholders, including both the employees of tenants as well as visitors to the 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.

Step 3: Recycling of Waste Cooking Oil

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), which is the first of its kind for a comprehensive real estate company.^{*1} SAF is a sustainable 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 4: Applying the Concept of Zero Waste Town Kamikatsu, Tokushima Prefecture to Resource Recycling

In the Tokiwabashi area, where the TOKYO TORCH district is located, Mitsubishi Estate is promoting sustainable urban development that balances environmental considerations and economic activity by partnering with Kamikatsu, Tokushima Prefecture, which promotes resource recycling initiatives under a “zero waste” concept.

Example of Initiatives: Craft Beer Made by Using Liquid Fertilizer

At Tokiwabashi Tower (completed in 2021), which is located in the TOKYO TORCH district, composting equipment installed in the building converts food waste from the facility into liquid fertilizer. Spec Laboratory Inc.^{*2} and Mitsubishi Estate worked together to produce collaboration beer Town Craft – Beer for the Future of the City, which is made from rice grown using the liquid fertilizer. Sales of the Town Craft beer launched in May 2024.



*1 Research by Mitsubishi Estate

*2 Spec Laboratory Inc. (RISE & WIN Brewing Co.) is a brewery based in Kamikatsu, Tokushima Prefecture. The brewery makes beer while engaging in reduce, reuse, recycle initiatives with the aim of producing beer that is unique to the town of Kamikatsu. At present, the brewery is pursuing initiatives to turn by-products generated in the brewing process into fertilizer to be used to cultivate barley for producing beer in a circular manner. At the same time, the brewery also works to create places where people can experience the town's appeal and zero-waste concept by operating a restaurant and accommodation facilities.

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 the Long-Term Management Plan 2030, 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 weigh the waste of each retail tenant in 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. 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®.

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. This initiative originated from the in-house new business proposal program and was implemented on a trial basis in the summer 2021, which was well received, leading to full-scale operation.

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



Initiatives to Reduce Waste in the Detached Housing Business

In June 2022, Mitsubishi Estate Home established the CO2 Emissions Reduction Strategy to accelerate the realization of a decarbonized society, setting out the selection of construction methods that reduce waste and materials that are easy to recycle as one of its strategies. Specifically, the company will aim to reduce onsite waste by promoting pre-cutting of structural, insulation, and construction materials (interior and exterior) during construction, optimization of order volumes, and improvement of construction methods. In addition to the measures taken during construction, the company also aims to reduce the frequency of repairs through the use of more durable exterior and other materials leading to a reduction in waste from repairs and demolition.

Initiatives to Reduce Food Loss at Yokohama Royal Park Hotel

In 2019, Yokohama Royal Park Hotel launched the SDGs Committee, which has conducted staff awareness surveys and other activities. In July 2021, it also established an organization chaired by the hotel's general manager to further raise the awareness of staff and implement initiatives that will contribute to achievement of the SDGs.

The hotel is working in partnership with the customers who dine at its restaurants and hold functions there, as well as suppliers, on initiatives to reduce the amount of edible food that is discarded (food loss).

Examples of initiatives

- Measuring and identifying the amount of buffet food discarded for each food ingredient, optimizing the replenishment of food
- Making effective use of vegetable scraps in broth and bouillon

Yokohama Royal Park Hotel is contributing to the achievement of a sustainable society through various other initiatives including introduction of biodegradable straws in all its restaurants and bars, sale of bouquets made with flowers previously used at the hotel, and treatment of miscellaneous and kitchen wastewater used in the building for use as water for flushing toilets. As a result of these initiatives, in May 2022, the hotel was recognized and registered as a Kanagawa SDGs Partner and, in July 2022, obtained the top-ranking Supreme certification in the Y-SDGs, the SDGs certification system established by Yokohama City.



Making effective use of vegetable scraps



Y-SDGs Supreme obtained in July 2022



Initiatives for Effective Use of Building Stock

Effectively Using Building Stock in Cities in Japan and Overseas with Building Renovation Business

See the following for more details.

Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes > The Global Environment > Related Initiatives





Effectively Using Building Stock with Condominium Renovation Business

Mitsubishi Estate Residence entered the Renovation Business in 2013, offering customers another option that goes beyond new construction by utilizing its know-how as developer involved in newly-built condominiums for sale and its high-quality condominium stock.

Renovation is also environmentally friendly with less environmental impact and CO2 emissions than demolition and new construction.

Condominium units that achieve the requirements for ZEH Standard Energy Saving Housing or Energy Saving Standard Compliant Housing through adoption of high-efficiency equipment or enhancement of insulation are issued with an Energy Conservation Residence Performance Certificate after calculation of energy performance and acquisition of BELS certification, a third-party evaluation. Customers who are the purchasers are eligible to receive preferential home loan tax deductions if certain conditions are fulfilled.

Customers are also issued with an Energy Conservation Performance Report,* which contains energy-performance figures and details on loan deductions in an easy-to-understand format. Going forward, the company will increase the proportion of ZEH Standard Energy Saving Housing or Energy Saving Standard Compliant Housing it supplies in the Renovation Business in its efforts to realize a sustainable society through the revitalization of the housing market and the effective utilization of existing building stock.

* Some properties are not covered by an Energy Conservation Performance Report.

The collage displays three key documents from Mitsubishi Estate Residence's renovation business:

- 省エネルギー性能報告書 (Energy Conservation Performance Report):** A green-themed report cover with the title in large characters.
- ZEH標準省エネ住宅 (ZEH Standard Energy Saving Home):** A certificate for a specific property, mentioning 'ZEH標準省エネ住宅' and 'ZEH標準省エネ住宅'.
- 省エネルギー性能報告書 (Detailed Report):** A page showing energy performance metrics, including:
 - 省エネ率 (Energy Saving Rate):** A table comparing energy consumption before and after renovation for different units.
 - 省エネ率の向上 (Improvement of Energy Saving Rate):** A table showing the increase in energy saving rate for specific units.
 - 省エネ率の向上 (Improvement of Energy Saving Rate):** A table showing the increase in energy saving rate for specific units.
 - 省エネ率の向上 (Improvement of Energy Saving Rate):** A table showing the increase in energy saving rate for specific units.

An Energy Conservation Performance Report

Mitsubishi Estate Residence Renovation Business





Preventing Pollution

Managing Hazardous Substances

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

Preventing Water Pollution

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

Preventing Soil Pollution Around Condominiums

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

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

Assisting Customers During Condominium Site Acquisition






Environment

Conserving Water Resources

Basic Policy and Approach

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

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

Initiatives for Efficient Water Use

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

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

[Environmental Management Promotion System](#)



See the following for data on water use.

[ESG Data > Environmental Data](#)





Goals and Achievement Status

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

See the following for water-related data.

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



Implementing Water Risk Assessments

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

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

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

See the following for the results of water risk assessment.

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





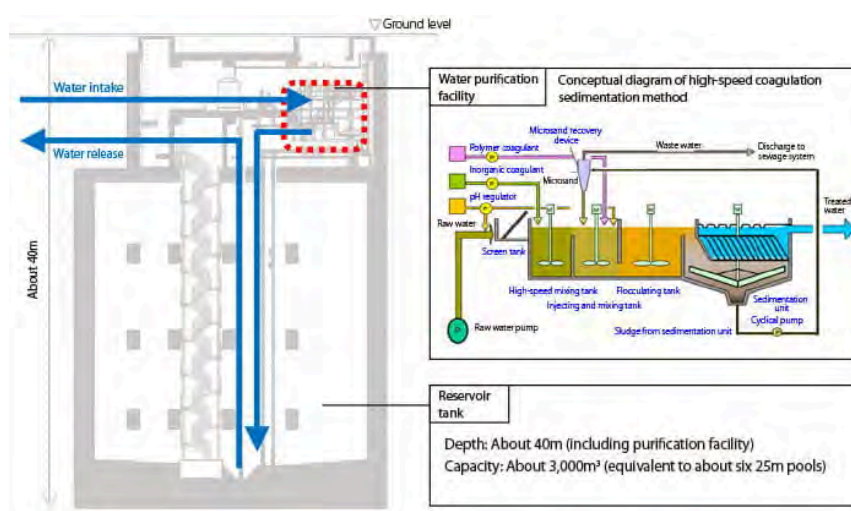
Initiatives for Improving Water Quality

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

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



Cross-section view of purification and reservoir facility



Preserving Biodiversity





Initiatives for Efficient Use of Recycled Water

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

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

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

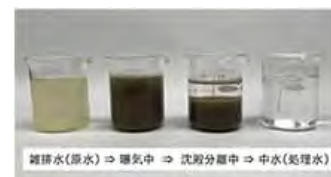
As part of this initiative, the Tokyo Metropolitan Government Bureau of Construction installed water retaining paving on the roadway that can store water within the paving of Gyoko Dori Avenue. Mitsubishi Estate installed equipment for sprinkling the recycled water from the Marunouchi Building on the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



Utilizing Recycled Water at Sunshine City

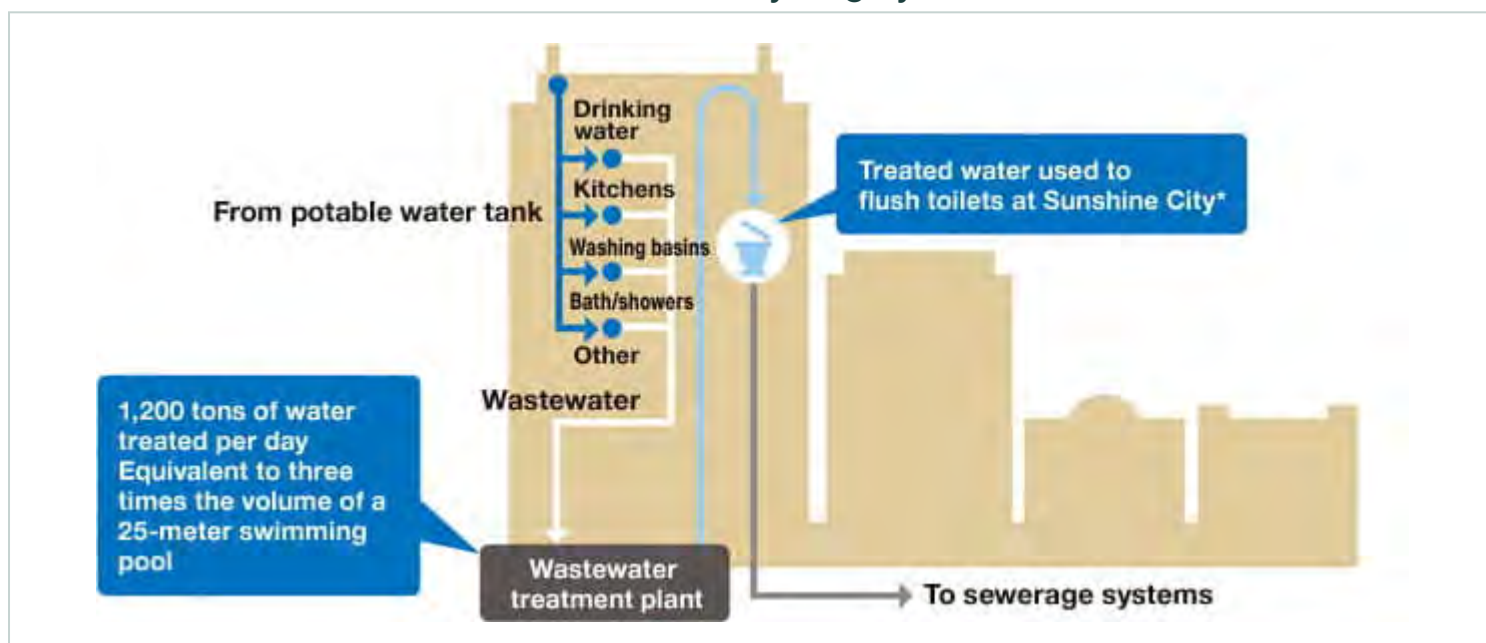
Sunshine City employs a wastewater recycling system to recover water used in its building, using the activated sludge method which treats wastewater with the power of bacteria.

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



Process for producing recycled water

Wastewater Recycling System



* Excluding water used in warm-water washing toilet seat

Examples of Water Efficiency Programs

Type of Water Efficiency Program implemented	Description of the program
On-site waste water treatment	All wastewater from kitchens emitted by restaurant tenants in the building is gathered and treated at the building's underground wastewater treatment facility. The wastewater is purified to the point where it is reusable. The purified wastewater is reused in the toilets within the building for flushing.
Water meters available to tenants	Water meters are installed to monitor the water use of tenants residing in the building. The amount of water usage is disclosed to the tenant.

A photograph of a human hand with fingers spread, resting on a surface of vibrant green moss. The lighting is soft, highlighting the texture of the moss and the skin of the hand.

Environment

Preserving Biodiversity

Policy on Biodiversity

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

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

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

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



Goals and Achievement Status

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

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

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

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

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

Five Actions and Specific Examples

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

* The initiative commenced in February 2015.

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

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





Initiatives in the Marunouchi Area

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

The biota of the Imperial Palace moat had become degraded, hindering the natural generation of its native water plants. In October 2017, Mitsubishi Estate signed an agreement with the Ministry of the Environment to promote use of natural resources of the Imperial Palace Outer Garden, and launched the Moat Project in May 2018. The project aims to improve the waterfront environment of the Imperial Palace moat and conserve the endangered rare water plant species. This is the first such project for a private company, implemented through a collaboration with NGOs and other institutions, including the Ministry of the Environment, the Nature Conservation Society of Japan, the National Institute for Environmental Studies (NIES) Center for Climate Change Adaptation (CCCA), and the Natural History Museum and Institute, Chiba.



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



Rare dragonflies such as the red damselfly are congregating in ponds where the water plants have been transplanted, and 10 species of water plants have been successfully restored since the project began, including the Mizohakobe (waterwort) (*Elatine triandra* var. *pedicellata*), previously regarded as extinct in the 23 wards of Tokyo on the Tokyo Red List 2010, which was successfully reintroduced in fiscal 2019. Seven of the 10 species are not confirmed to be living in the Imperial Palace moat currently, with many of them on the Ministry of the Environment Red List or the Tokyo Red List and considered to be at risk of extinction.

Moreover, since 2019, water chestnuts cleared from the Imperial Palace moat in the project have been composted. The vegetables grown with the compost in Yatsugatake are used by the Mitsubishi Estate Group, creating a new resource cycle.

In addition to restoring and preserving the water environment, including the rare flora and fauna, the project aims to build a biodiversity network in the neighborhood around the moat, thereby revitalizing the ecosystem that was once widespread in the area, as well as utilizing these activities to create a more attractive city.

* Hotoria Square is an eco-friendly green space of approximately 3,000 square meters located at the foot of the Otemachi Park Building and Otemon Tower-ENEOS Building in front of the Imperial Palace Outer Garden. Plantings mainly consist of native and local species that are found in the grove of the Imperial Palace. Also found in the square are a gently sloping body of water, stone walls, and nesting boxes for birds. Through these initiatives, Mitsubishi Estate is promoting environmental improvement and ecosystem preservation in the Marunouchi area of Tokyo.

→ Successful reintroduction of Mizohakobe (waterwort) (*Elatine triandra* var. *pedicellata*), an aquatic plant previously regarded as extinct in the 23 Tokyo wards, from mud in the Imperial Palace moat (Japanese only) [PDF](#)



Three Moat Project activity sites and their functions

(1) 3 × 3 Future Lab (Exhibition):

An aquarium that simulates the high-water quality environment of the moat to cultivate successfully regenerated water plants.



(2) Otemachi Building rooftop (Germination experiments):

Several large-capacity aquariums have been installed for conducting germination experiments with seeds of water plants lying dormant in mud taken from the moat and other water plant conservation activities.



(3) Hotoria Square (Restoration of ecosystem):

In addition to germination experiments with water plants, water plants have actually been introduced into the pond in the square. The introduced water plants have become established and are contributing to the restoration of the local ecosystem.





Obtained First Natural Symbiosis Site Certification for Hotoria Square

In October 2023, Hotoria Square, an environmentally-friendly green space located on the west side of the Hotoria block composed of the Otemachi Park Building where Mitsubishi Estate's head office is housed and the adjacent Otemachi Tower-ENEOS Building, was selected as one of the first natural symbiosis sites by the Ministry of the Environment.

"Natural symbiosis sites" are areas certified by the national government where biodiversity is conserved through efforts by the private sector, and certified areas will be registered as "other effective area-based conservation measures" (OECMs) in an international database.

Japan puts particular importance on 30by30 (a target for at least 30% of land and marine areas to be protected by 2030 to realize a nature positive world by halting and reversing biodiversity loss to put nature on a recovery track), a target which is included in the global targets for 2030 under the Kunming-Montreal Global Biodiversity Framework adopted in December 2022. The natural symbiosis sites initiative is part of the nation's efforts aimed at achieving the 30by30 target.

Hotoria Square is managed with consideration given to biodiversity and creates harmony with the rich natural and historical landscape of the adjacent Imperial Palace moat. Mitsubishi Estate will work with the Association for Creating Sustainability in Urban Development of the Otemachi, Marunouchi, and Yurakucho Districts (commonly known as the Ecozeria Association) and environmental experts to continue efforts to conserve, restore, and utilize biodiversity, aiming to realize a nature-positive world through the Moat Project, biological surveys, environmental education, and regular nature programs.



[Ministry of the Environment Natural Symbiosis website](#)





Biomonitoring in the Marunouchi District

The Marunouchi District is bordered by the Imperial Palace and moat, Hibiya Park, and other green spaces that conserve the precious natural ecosystem in this urban neighborhood, making it a good place to observe varied animal and plant life throughout the year. Mitsubishi Estate has been running a biomonitoring survey in the Marunouchi district since 2009, in collaboration with the NPO Center for Ecological Education. It compiled the results of the survey and published the Marunouchi Living Things Handbook in June 2013. The Handbook provides information about the abundance of nature in the district and also suggests ways in which individuals can help protect biodiversity in their own areas. By doing so, the Handbook aims to function as a PDCA tool for ecosystem management in the district.

This initiative received positive feedback and won the Japan Committee for UNDB Award in the Tokyo Region Biodiversity Contest, held at the GTF Green Challenge Awards 2013 organized by the GTF Greater Tokyo Festival Executive Committee. The company will press on with its efforts to preserve biodiversity in the future.



Marunouchi Living Things Handbook (Japanese only)



Initiatives in The Edible Park Otemachi by Grow, the Otemachi Building's Rooftop Vegetable Garden

In May 2022, Mitsubishi Estate completed a major renovation of the Otemachi Building, originally constructed in 1958, and opened the Otemachi Building Sky Lab, a rooftop area of approximately 4,000m², creating a new space for human interaction.

The Otemachi Building Sky Lab features The Edible Park Otemachi by Grow (658m², management: PLANTIO, Inc.), Tokyo's biggest rooftop vegetable garden, in addition to a lush green workspace and other areas that, prior to its renewal, had been a typically utilitarian commercial building rooftop.

About 40 kinds of vegetables will be grown based on user participation starting from the stage of soil preparation, with the focus being on heirloom vegetable species considered native to Tokyo. The "grow GO" vegetable growing app allows users to monitor the growth of vegetables and take part in harvesting upon maturation. The aim is for the vegetable garden to become a hub for sustainable interaction with workers in the building, visitors, and food handlers through agriculture and food.



The Edible Park Otemachi by Grow (Japanese only)





Initiatives in Other Areas

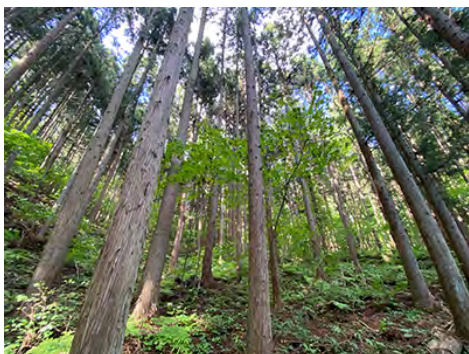
Nature-Positive Activities in Minakami, Gunma Prefecture

In February 2023, Mitsubishi Estate signed a 10-year partnership agreement with Minakami Town and the Nature Conservation Society of Japan (NACS-J) for a nature-positive initiative in Minakami, located in Gunma Prefecture, to halt the loss of local biodiversity and allow nature to recover. Major initiatives include restoring planted forests with deteriorating biodiversity back to natural forests, conserving and restoring mountain villages and neighboring agricultural or forest areas, and maintaining the sparse population of sika deer. We also undertake and utilize quantitative evaluation of biodiversity conservation and the multi-faceted functions of nature. We will work to provide nature-based solutions based on these initiatives. The government of Minakami, the town located near the source of the Tone River, which supplies water to the Kanto region, Mitsubishi Estate, operating businesses centered on the Marunouchi area, which is served by the Tone River, and NACS-J, an environmental NGO active across Japan with a high level of expertise in biodiversity conservation, will collaborate closely to realize a nature-positive society while making use of their expertise as a municipality, company, and NGO, respectively.

In July 2024, we compiled and published six methods for objective and quantitative evaluation of biodiversity as part of our efforts to undertake and utilize quantitative evaluation of biodiversity conservation and the multi-faceted functions of nature. We developed the six evaluation methods in alignment with global trends, including the IUCN approach and the recommendations to companies and organizations by the Taskforce on Nature-related Financial Disclosures (TNFD). As a result, we are now able to objectively evaluate the contribution of our biodiversity conservation activities to the Kunming-Montreal Global Biodiversity Framework, which is the international goal for achieving a nature-positive society, and the goals of local governments. The six methods can also be used in the evaluation of dependencies and impacts of a company on a local natural environment through its business activities, as well as in the consideration and disclosure of risks and opportunities and metrics and targets as required by TNFD. The evaluation methods mainly evaluate the current condition of biodiversity and ecosystem services. However, we plan to also develop methods that can be used to objectively evaluate biodiversity recovery trends as a result of conservation activities and other measures in the future.

See the following NACS-J website (Japanese only) for the results of the recent evaluation conducted in Minakami.

NACS-J (Japanese only)



Planted forest around former Chibamura



Red pine logged in the national forest



Sika deer photographed in Minakami



Mitsubishi Estate Residence Obtains ABINC Certification (Condominium Category)

Mitsubishi Estate Residence has continued to obtain the Association for Business Innovation in Harmony with Nature and Community's ABINC certification in the condominium category, certified annually since 2014, when this particular category was first launched. Since February 2015, the company has also been promoting BIO NET INITIATIVE, a biodiversity preservation program at The Parkhouse built-for-sale condominiums. Under this initiative, the company develops greenery plans for each condominium premise in a manner that will help preserve biodiversity. The company aims to obtain ABINC certification (condominium category) with projects that demonstrate particularly high levels of contribution to preservation of biodiversity. We will continue to make efforts in environmentally friendly urban development and residential development for the preservation of biodiversity and sustainable use.

About ABINC certification (condominium category)

ABINC certification (condominium category) evaluates and certifies efforts at companies such as the creation of green spaces that consider biodiversity and the management and use of green spaces, from the four perspectives of (1) creating environments that contribute to biodiversity, (2) maintenance and management that considers biodiversity, (3) communication activities, and (4) other initiatives. Specifically, the 18 categories below have been established as the criteria for evaluation.



18 categories of ABINC certification (condominium category)



- | | | |
|--|--|--|
| 1 Size of area that contributes to biodiversity | 2 Cubic volume of greenery | 3 Creation of cohesive green spaces |
| 4 Depth of soil that supports plants | 5 Harmony with surrounding environment | 6 Creation of vegetation that is rooted in the community |
| 7 Creation of high-quality rooftop and wall greenery that contributes to preservation of biodiversity | 8 Consideration of animal habitat and movement routes | 9 Appropriate management of types and volumes of chemical substances used |
| 10 Consideration of water environment | 11 Consideration of the material cycle | 12 Monitoring of indicator organisms |
| 13 Measures to counter non-native species | 14 Qualifications of managers, etc. | 15 Collaboration with the community and experts |
| 16 System of resident, management association, and residential management trustee initiatives | 17 Promotion of environmental education programs | 18 Preservation of rare local species |

See the following for information on ABINC certification status.

[ESG Data > E: Environmental data > \(2\) Other > 5. Green Building Certification](#)



[Mitsubishi Estate Residence > Initiatives 2 > Mitsubishi Estate Residence Obtains ABINC Certification](#)





Conservation and Protection Activities to Pass Down the Nature of Miyakojima, Okinawa Prefecture to the Next Generation

Mitsubishi Estate and Shimojishima Airport Management, a Mitsubishi Estate Group company, have been carrying out environmental conservation activities with participation by Mitsubishi Group employees since July 2018 to preserve the rich natural environment of the Miyakojima area in cooperation with Miyakojima City, The Nature Conservation Society of Japan, the non-profit organization Miyako Island Sea Environment Network, and other groups.

1) Beach clean-up activities: Beaches are Miyakojima City's biggest tourism resource and form beautiful landscapes with elevated coral reef vegetation. However, the increase in plastic waste and other flotsam has been an issue of concern. Under the direction of the non-profit organization Miyako Island Sea Environment Network, beach clean-ups were carried out on the beaches of Shimoji Island and Miyako Island.



Beach clean-up (Shimoji Island)

2) Reforestation activities for the grey-faced buzzard: The grey-faced buzzard, a member of the hawk family, is the official bird of Miyakojima City. Positioned at the apex of the local woodland ecosystem, it is an index species for rich biodiversity of the local woodland. The grey-faced buzzard, which is a migratory bird, visits Japan in the spring from its winter home in Southeast Asia and then migrates via Miyako Island after spending the breeding season in the woodlands of mainland Japan. However, over the past few years, there has been a decline in numbers due to the devastation of the woodland that serves as its mating ground, a decline in forests in stopover sites, including Miyako Island, and poaching at its winter home, and it has been designated an endangered species. In the 1980s, approximately 50,000 grey-faced buzzards were identified on the Miyako Islands, but their numbers fell to 6,000 in 2021, and the decline in forests where the grey-faced buzzards can rest during migration remains a major issue. With the cooperation of Miyakojima City and under the direction of the Nature Conservation Society of Japan, the Wild Bird Society of Miyako, and Miyako Forest Cooperative, Alexandrian laurel trees were planted in an area of approximately 600 square meters on Irabu Island of the Miyako Islands. The location where the trees were planted was densely populated with wild tamarind, which is listed in "100 of the World's Worst Invasive Alien Species" (International Union for the Conservation of Nature). Going forward, we will also plant other species of trees such as the Luchu pine with the aim of reviving a natural environment with rich biodiversity where the grey-faced buzzards will be able to thrive.



Reforestation activity for the grey-faced buzzard (Irabu Island)

The Mitsubishi Estate Group will continue to promote protection of the rich natural environment as well as development of the local economy.



Sunshine Aquarium Coral Conservation Activities

Sunshine Aquarium, operated by Sunshine City, a Mitsubishi Estate Group company, is an urban aquarium located in a high-rise building, and it is the first of its kind in Japan. Conceived as an “oasis in the sky,” its considerable ingenuity reveals the true form of living creatures in dynamic exhibitions that provide the sensations of the sky, light, water, and greenery. Since opening in 1978, it has served the four roles of an aquarium: environmental education, recreation, research, and conservation of species. It has been particularly focused on providing visitors with “impressive discoveries” to stimulate their interest in the biological environment. In 2006, the aquarium launched the Coral Project in cooperation with Onna Village in Okinawa Prefecture, and has been implementing two initiatives: the Coral Restoration Project and the Coral Reef Regeneration Project.

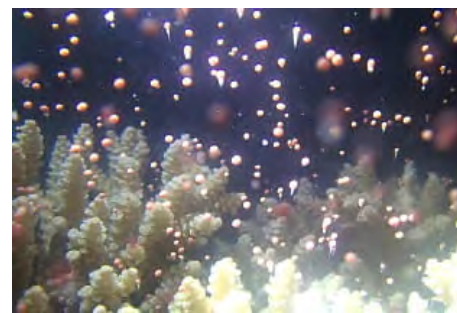
The coral reefs, which are the symbol of thriving marine environment, are in a gradual decline due to factors such as coral bleaching caused by global warming of the oceans, the natural enemy of coral. The decline of coral also risks the destruction of the surrounding marine ecosystem, leading to seas that will be uninhabitable for living creatures. In order to remedy this situation, Onna Village in Okinawa Prefecture has been implementing coral conservation activities, led by the fishermen's cooperative, since 1969. In support of these activities, Sunshine Aquarium launched a permanent exhibition on the coral of Onna and commenced the Coral Restoration Project, under which the aquarium temporarily removes part of the coral of Onna Village, grows it in tanks, and then returns it to the seas of Okinawa. This makes it possible to preserve the DNA of the coral of the Onna Village and reproduce it even if the coral is damaged due to natural disaster or environmental degradation. Since 2014, the aquarium has also implemented the Coral Reef Regeneration Project, which aims to regenerate coral reefs via sexual reproduction, with the fertilization of coral eggs by sperm. The aquarium will continue these activities into the future with the hope of restoring the coral reefs.



Coral returned in the Coral Restoration Project



Coral spawning in the Coral Reef Regeneration Project



Coral Project (Japanese only)






Environment

Promoting Sustainable Use of Wood

Basic Policy and Approach

The Mitsubishi Estate Group has established a policy of fostering harmony between nature and human society as part of the Mitsubishi Estate Group Basic Environmental Policy. The Group is committed to avoiding deforestation and promoting the sustainable use of wood as it considers biodiversity through its business activities. In addition, the Mitsubishi Estate Group Timber Procurement Guidelines* were established in July 2022 to ensure no forest destruction or deforestation and the protection of biodiversity in the procurement of timber in the Group's own value chain. In order to "[maintain commitment to reducing environmental impact](#)" and "[consider people, empathize with people, protect people](#)," two themes set out in "Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes," the drivers for enhancing social value under the Long-Term Management Plan 2030, the Group has set goals for promoting the sustainable use of wood and ensuring the traceability of wood used in business activities. It will continue working for sustainable uses of wood giving consideration to respecting human rights and protecting natural resources in areas where imported timber is harvested.

* Scope of the Mitsubishi Estate Group Timber Procurement Guidelines: The guidelines cover the entire Mitsubishi Estate Group, and the target activity is the direct procurement of timber and timber products for construction.

Targets and Status of Achievement

From the perspective of human rights and environmental protection, the Mitsubishi Estate Group uses timber based on the Sustainable Sourcing Code (certified timber or Japan-grown timber) or equivalent as the timber in the concrete wall panels used when building offices or housing with a target of achieving a usage rate of 100% by fiscal 2030 to eliminate forest destruction. Moreover, in the Mitsubishi Estate Group Green Procurement Guidelines, the Group stipulates use of timber products certified by forest certification systems that can verify that they are from properly managed forest resources, and mandates consideration given to promoting the use of Japan-grown timber. This applies to all of the products, services, designs, and construction procured by the Mitsubishi Estate Group, and the Group requests the cooperation of all suppliers. In addition, the Mitsubishi Estate Group Timber Procurement Guidelines stipulate no forest destruction or deforestation and the protection of biodiversity in the procurement of timber in the Group's own value chain. The timeline for the measurement of progress in the achievement of these guidelines is fiscal as a milestone (goal: minimum 90% achieved) and fiscal 2030 as the target year for achievement.

The Group also complies with policies on the sustainable use of timber and forest-related laws and regulations and has developed mechanisms to monitor and ensure compliance.

* Scope of the Mitsubishi Estate Group Timber Procurement Guidelines: The guidelines cover the entire Mitsubishi Estate Group, and the target activity is the direct procurement of timber and timber products for construction.

See the following for the Mitsubishi Estate Group Timber Procurement Guidelines

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





Primary Initiatives

Promoting Use of Cross Laminated Timber (CLT) and Other Products to Expand Utilization of Japan-grown Timber

The Mitsubishi Estate Group promotes sustainable manufacturing by using Japan-grown timber. In recent years, the Group has promoted the use of cross laminated timber (CLT) and other products as a construction material that expands timber usage opportunities.

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 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 from procurement of logs to sawing, manufacturing and processing to sale of the material and products.

At its own plant the company procures logs, manufactures CLT and 2x4s, and produces building materials and prefabricated housing using these wood materials. 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.



Example of CLT Use

Located in Chuo-ku, Fukuoka City, the Tenjin 1-7 Project (tentative name) is a mixed-use development project which Mitsubishi Estate Co., Ltd. commenced in May 2024, comprising offices, a hotel, and a retail complex on the former site of IMS, the Company's first urban commercial complex.

Approximately 450 m² of CLT panels manufactured by MEC Industry from timber produced in Kyushu will be used for the exterior of the building, contributing to local production for local consumption as well as sound forest management and promotion of forestry. The use of the CLT panels will fix around 259 tons of CO₂ in addition to reducing solar radiation heat by approximately 40% and achieving further energy savings through the organic arrangement of the panels based on geometric calculations.

In addition, the provision of more than 600 m² of greenspace on the lower floors of the building will create an appealing streetscape that gives the sense of relaxation and tranquility, which is the goal of Fukuoka City's 10,000 Trees in the City Center Project,^{*} as well as helping to mitigate the heat island effect.

Mitsubishi Estate plans to obtain ZEB Oriented, CASBEE Fukuoka A Rank, and CASBEE Wellness Office A Rank certifications for the project.

^{*} As the city of Fukuoka undergoes major transformation through Tenjin Big Bang and Hakata Connected, the 10,000 Trees in the City Center Project aims to revitalize the neighborhood through the appeal of greenery, providing it a sense of relaxation and tranquility. Working with citizens and companies, the project enhances green spaces by planting trees and promoting the creation of a green city by leveraging the greening of privately-owned land to develop a positive urban landscape and improve the urban environment.



CLT panels and extensive green spaces on the lower floors of the building

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

Mitsubishi Estate debuted in October 2021 The Royal Park Canvas – Sapporo Odori Park, Japan's first high-rise hybrid hotel built of reinforced-concrete and wood using Hokkaido-grown timber. Located in Sapporo, Hokkaido, the hotel will be operated by Mitsubishi Estate Hotels & 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 which brings together all the advances in wood construction made by the Mitsubishi Estate Group to date.

Approximately 80% of some 1,050 m² of 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 Check-in lobby using CLT as structural material for the roof

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.

Initiatives by Mitsubishi Estate Home

Mitsubishi Estate Home fulfills its mission to enrich people's lifestyles and lives through proposals for the creation of high-quality, high value-added homes. At the same time, from the perspective of using Japan-grown forest resources and decarbonization, the company promotes the use of wood, a sustainable environmentally-friendly resource, as it works on projects to promote wooden structures and finishes in buildings, thereby helping realize a sustainable society.

To reduce GHG emissions, Mitsubishi Estate Home has set a target to achieve a net-zero energy house (ZEH) rate of 85% in properties the company constructs by 2030 by promoting further use of Japan-grown timber and improved efficiency of household equipment with the aim of achieving net zero by 2050. In addition, the company aims to achieve a 60% reduction in GHG emissions by fiscal 2030 through initiatives that include selecting construction methods that generate little waste and materials that are easy to recycle, as well as promoting pre-cut technology.

Mitsubishi Estate Home also contributes to a forest cycle of "plant, raise, use, and plant" by actively utilizing Japan-grown timber with clear traceability. In 2011, Mitsubishi Estate Home concluded the Agreement on Use of Yamanashi Prefecture-Grown Certified Timber Products for Housing Materials. The company introduced the use of certified Japan-grown timber for flooring plywood as the standard practice*2 in April 2018 and began using Japan-grown timber as the material for wall frames in new homes built using the 2 x 4 construction method as the standard practice in November 2018. As a result, the percentage of Japan-grown timber used for the structural timber in each new custom-built home is the highest level among 2 x 4 homebuilders in Japan.

Using its knowledge of wood accumulated over many years, Mitsubishi Estate Home has launched the KIDZUKI concept to promote wooden structure and finishes not only in buildings, but also across a wide range of fields. The aim is for KIDZUKI to be a platform for various wood-based ideas and projects, forming a network to share issues, needs, and solutions among business operators in various fields, governments, and creators.

*1 Includes Nearly ZEH

*2 Excludes some products

[KIDZUKI website \(Japanese only\)](#)



See the following for more information on Mitsubishi Estate Home's record on utilizing timber.

[ESG Data > E: Environmental data > \(1\) KPI > 2. Resources \(Waste, Water, Forestry Resources, etc.\)](#)





Engagement with External Stakeholders

In September 2018, Mitsubishi Estate initiated the Construction and Real Estate Human Rights Due Diligence Study Group in which eight real estate and construction-related companies participate. As part of this initiative, the company holds study groups with other companies in these industries on the use of sustainably sourced timber from the perspective of environmental protection and respect for human rights. The aim of discussions at the study group is to deepen understanding about the risks of environmental destruction, including violation of human rights and destruction of forests and to expand the use of sustainably sourced timber going forward.

In April 2023, the name of the study group was changed to the Construction and Real Estate Human Rights Due Diligence Promotion Council.

See the following for more details on the promotion council.

[Launch of the Construction and Real Estate Human Rights Due Diligence Study Group](#)









Environment

Promoting Acquisition of Sustainability Certifications





Policy on Obtaining Sustainability Certifications

Mitsubishi Estate recognizes that addressing environmental and social considerations in real estate and indicating performance on these considerations externally is important to meet the expectations and demands of stakeholders such as tenants and investors. Therefore, the company has a policy of proactively obtaining sustainability certifications whenever possible.

In Japan, Mitsubishi Estate has obtained certifications that include DBJ Green Building Certification, Comprehensive Assessment System for Built Environment Efficiency (CASBEE), and Building-Housing Energy-efficiency Labeling System (BELS), while the main certifications obtained overseas include Leadership in Energy and Environmental Design (LEED) and BRE Environmental Assessment Method (BREEAM) certifications.

Evaluation/Certification System	Overview
DBJ Green Building Certification	<p>DBJ Green Building Certification is a certification system established by the Development Bank of Japan (DBJ) in April 2011 as an initiative to support environmentally and socially conscious management of real estate. Based on a comprehensive assessment which covers such areas as environmental performance, disaster prevention, community considerations and other stakeholder engagement, the system evaluates and certifies real estate anticipated by society and the economy.</p> <p>→ DBJ Green Building Certification </p> <p>→ List of properties certified (Japanese notation only) </p>
Comprehensive Assessment System for Built Environment Efficiency (CASBEE)	<p>CASBEE is a system for comprehensively assessing the quality of buildings, including interior comfort and consideration to landscape as well as environmental considerations such as energy conservation and use of materials and equipment with low environmental impact. It was developed by a research committee established for comprehensive environmental assessment of buildings in April 2001 as a collaborative project between industry, academia, and government under the auspices of the Ministry of Land, Infrastructure, Transport and Tourism, and has been continuously upgraded and maintained since.</p> <p>→ Institute for Building Environment and Energy Conservation </p>
Building-Housing Energy-efficiency Labeling System (BELS)	<p>BELS is a system for the assessment and certification of energy efficiency performance in newly built and existing buildings by a third-party organization. In April 2016, the scope of the system was expanded to residential buildings, and it was designated as one of the third-party certifications in the Guidelines on Building Energy Efficiency Labelling based on Article 7 of the Act on the Improvement of Energy Consumption Performance of Buildings (Building Energy Efficiency Act).</p> <p>→ Association for Housing Performance Evaluation and Labeling (Japanese only) </p>



Evaluation/Certification System	Overview
Leadership in Energy and Environmental Design (LEED) certification	<p>LEED is a system for assessing environmental performance of buildings and site use developed and operated by the U.S. Green Building Council (USGBC).</p> <p>→ U.S. Green Building Council </p>
BRE Environmental Assessment Method (BREEAM) certification	<p>BREEAM is an environmental assessment system developed by Building Research Establishment Ltd. (BRE) in the UK in 1990 as a tool for assessing the sustainability performance of buildings, communities, and infrastructure. Performance is assessed in a total of ten categories including energy, health and well-being, water, materials, and waste, and rated on a five-point scale of Pass, Good, Very Good, Excellent, and Outstanding.</p> <p>→ BREEAM </p>
WELL Building Standard	<p>This is an environmental performance evaluation system for buildings and urban subdivisions with a focus on health and wellness. It is operated by International WELL Building Institute (IWBI) and certification is handled by Green Business Certification Inc. (GBCI). The latest version, WELL v2, was launched in 2020, and consists of the following 10 concepts: air, water, nourishment, light, movement, thermal comfort, sound, materials, mind, and community.</p> <p>→ WELL </p>
SITES Certification	<p>The Sustainable SITES Initiative (SITES). Designed by the U.S. Green Building Council (USGB), which designs and updates the LEED rating system, the certification is administered by Green Business Certification Inc. (GBCI) in the U.S. It offers guidelines and a quantitative evaluation system on green infrastructure design, technology, and management. Certification is now available outside the U.S. with v2.</p> <p>→ The Sustainable SITES Initiative (SITES) </p>
Energy Performance Certificates (EPCs)	<p>A system for assessing the energy efficiency of buildings on a seven-point scale from A to G. In accordance with the Minimum Energy Efficiency Standard (MEES) stipulated by law in 2015, office buildings that fail to achieve a B rating by 2030 can no longer be newly leased to tenants.</p>



Environmental Design Policies and Incentive Programs

In working toward achieving the sustainability goals and KPIs—while enhancing the Group’s social value, one of the strategic goals put forth in its Long-Term Management Plan 2030—Mitsubishi Estate has established real estate development environmental design policies as well as incentive programs for projects with outstanding initiatives, to promote real estate development business that contributes to sustainability goals.

The Company has established the Sustainability-Minded Construction Architectural Design and Construction Policies for real estate development that outline the conditions required by type and scale, in areas such as design specifications, building materials, and construction methods.

Additionally, in fiscal 2022, the Company launched programs that provide incentives to those implementing advanced sustainability initiatives in the process of deciding on investments in new development projects.

Architectural Design and Construction Policies



The following policies were established to achieve strategic goals for increasing social value under the Long-Term Management Plan 2030 and help realizing decarbonized society

1. Acquisition of sustainability certifications
2. Initiatives to improve energy-saving performance
3. Introduction of renewable energy source and equipment
4. Use of water
5. Selection of building materials
6. Building material attributes, certifications, etc.
7. Sustainability efforts at construction sites

Incentive Programs



Promote sustainable development projects internally by introducing incentives such as relaxation of investment criteria with projects that meet certain sustainability requirements

Goals and Achievement Status

See the following for the status of environmental certification acquisitions.

[ESG Data > E: Environmental data > \(2\) Other > 5. Green Building Certification](#)





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 Otemachi Gate Building, a high-rise tenant office building, previously known as Uchi-Kanda 1-chome Project, which is scheduled for completion at the end of January 2026. 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, Mitsubishi Estate Residence makes it its 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.



Otemachi Gate Building

Acquisition of WELL Core Precertification under WELL v2 for Front Place Chiyoda 1-Bancho—Supporting Workstyles that Emphasize Well-Being

Mitsubishi Estate has become the first company in Japan to receive precertification for WELL Core—which can be acquired by buildings occupied by tenants—under WELL v2, the latest version of the WELL Building Standard (WELL Certification), an international ratings system for buildings that emphasizes the health and well-being of people. The Company received the precertification for Front Place Chiyoda 1-Bancho in Chiyoda Ward, Tokyo, for reasons including the high evaluation of the project's promotion of urban development in line with WELL development concepts, the introduction of a panel heating and cooling system, the facilitation of fitness for workers, and the provision of operable windows that offer ample natural light. Following completion of the project, we aim to obtain platinum certification, the standard's highest certification level.



Front Place Chiyoda 1-Bancho at the time of the precertification announcement; view of building exterior

Recent years have seen an increasing number of companies acquiring WELL Certification for areas of buildings reserved for office space. However, meeting the WELL Core certification standards for the actual building has the advantage of enabling tenant companies to more easily pursue WELL Certification for their office spaces by, for example, exempting them from screening for certain evaluation items. With the preliminary certification as a forerunner to further efforts, we will continue proactively supporting workstyles that emphasize well-being and enhancing office value from the perspective of concern for the environment.



Acquisition of SITES[®] Gold Certification for Tokiwabashi Tower and TOKYO TORCH Park, Thereby Becoming the First Urban Mixed-Use Development Project in Japan to Acquire Such Certification

TOKYO TORCH Tokiwabashi Tower and TOKYO TORCH Park have acquired SITES[®] Gold Certification, an environmental certification that evaluates primarily the sustainability of landscapes, becoming the first urban mixed-use development project to receive such a certification in Japan.

Furthermore, these sites have been registered under Edo-Midori Green Area, a system by the Tokyo Metropolitan Government for registering and publicly announcing green spaces where native plant species are actively planted and where biodiversity is conserved. With this registration,

TOKYO TORCH Tokiwabashi Tower and TOKYO TORCH Park have now acquired five environmental certifications—the others being DBJ

(Development Bank of Japan) Green Building Certification, Social and Environmental Green Evaluation System (SEGES) certification, and Association for Business Innovation in Harmony with Nature and Community (ABINC) certification.

Going forward, we will continue to promote urban development with an even greater awareness of the environment, with the goal of opening all sites of the TOKYO TORCH project by fiscal 2027.



TOKYO TORCH Park

THE Sustainable
SITES
Initiative[®]





GRAND GREEN OSAKA Obtains Simultaneous “Gold” Ratings in LEED-ND Plan Certification and SITES Precertification for Mixed-Use Development Project Including an Urban Park



Panoramic view of GRAND GREEN OSAKA (rendering of completed project)



The joint venture of nine companies (JV9)* led by Mitsubishi Estate Co., Ltd is working on GRAND GREEN OSAKA, a development project for the area in front of JR Osaka Station based on the concept of “creating Osaka MIDORI LIFE,” an integration of greenery and innovation. The project enhances the overall appeal of the entire district, turning 45,000 m² or approximately half of the district’s area into an urban park. The landscape design offers a sense of local flair, and environmental planning considers biodiversity. In addition, the project introduces cutting-edge technologies and infrastructure that contributes to resource recycling, such as use of renewable power in compliance with RE100, geothermal and wastewater heat energy and solar photoelectric generators. The mixed-use development project, which includes the urban park, is the first in Japan to simultaneously obtain gold certifications in the LEED Neighborhood Development (LEED ND) (plan certification) category for area developments by Leadership in Energy and Environmental Design (LEED), an internationally recognized green building rating system developed by the U.S. Green Building Council, and in The Sustainable SITES Initiative (SITES®) Precertification, which primarily evaluates landscape sustainability. The project has been awarded DBJ Green Building Certification, ABINC ADVANCE Certification, ZEB Oriented Certification (for office areas), and CASBEE Smart Wellness Office Certification through efforts to comprehensively evaluate and visualize the environmental value created by greenery.

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

GRAND GREEN OSAKA Becomes Japan’s First Mixed-Use Development Including an Urban Park to Simultaneously Obtain LEED-ND Plan Certification and SITES Preliminary Certification (Gold Ratings for Both)





Efforts to Acquire Environmental Certification in Overseas Business

Since Mitsubishi Estate New York was established in 1972, the Mitsubishi Estate Group has expanded its real estate development and rental business in the U.S., the U.K. and other European countries, as well as Asia and Oceania, making the most of our track record and wide-ranging network. We are engaged in socially and environmentally conscious urban planning with people in these regions.

Initiatives in the United States

Based on a stable business foundation centered on the Rockefeller Group International Inc., the Mitsubishi Estate Group is engaged in a wide variety of real estate leasing and development businesses. In addition to operating our own building in New York, we are developing offices, residences, logistics facilities, etc. throughout the United States. We aim to raise the value of real estate with a focus on environmental performance, and therefore work to acquire LEED certification on both new development buildings and existing buildings.

Projects earning environmental certification (examples)



GOLD

1271 Avenue of the Americas, New York

Located in Manhattan, this building completed in 1959 underwent large-scale renovations from 2016 to 2019. The entire outer curtain wall was replaced and the air conditioning equipment was replaced with energy efficient models, resulting in the building attaining LEED Gold status in 2020.



GOLD

1901 L Street, Washington, D.C.

Located in central Washington, D.C., this building was co-developed with the U.S. real estate company The Meridian Group. It is the result of an extension on a 1970s office building and large-scale renovations. The building was completed in 2019 following environmentally-friendly plans and was awarded a Gold LEED rating.



GOLD

Paradigm River North, Colorado

Located in central Denver, this 8-story, 19,000 m² office building was jointly developed with local real estate company Jordon Perlmutter & Co. Construction began in 2022 with a planned completion date of 2025. With environment-friendly plans, we are aiming for a Gold LEED rating.



Initiatives in Europe

Since the establishment of Mitsubishi Estate London in 1986, the Mitsubishi Estate Group has handled real estate leasing and development projects for office and leasing properties in central London and continental Europe. With an emphasis on the environmental aspects of its properties the Group has earned BREEAM certification for newly developed buildings as well as buildings already owned.

Projects earning environmental certification (examples) **BREEAM**



Outstanding (planned)

8 Bishopsgate, London

8 Bishopsgate, a large-scale office redevelopment project in the City of London, which began construction in 2019 and completed in 2023, is expected to achieve the highest ratings in multiple environmental certifications.

In the UK, the RIBA 2030 Climate Challenge, a set of targets developed by the Royal Institute of British Architects (RIBA) for energy and carbon use in the construction industry based on the UN Sustainable Development Goals (SDGs), has been established and the property complies with these targets. In addition to using a glass façade with outstanding environmental performance for the entire exterior, the property is also equipped with solar panels and reuses greywater from rainwater, as well as other measures. As a result, it is expected to achieve the highest rating of “Outstanding” in BREEAM certification. It has also been certified with the highest “A” EPC Rating, which indicates the energy efficiency of a building in operation. In order to enhance diverse workstyles and well-being, an exclusive tenant-use cafeteria and an adjacent outdoor terrace are located on the mid-rise floor, with a large town hall and a business lounge on the low-rise floors. As a unique feature in the U.K., where environmental awareness is growing, there are no car parks, with the building instead featuring a large bicycle park and shower facilities. Beyond being environmentally friendly, the building also supports a working life for workers.



Excellent

Warwick Court, London

Warwick Court is a major office refurbishment project that was completed in July 2022. By maximizing the use of the existing façade and structure, and also reusing the interior stones from the building reception, this structure achieved a substantial CO2 emissions reduction of approximately 70% compared to new construction. Moreover, the building contributes to the well-being of workers by installing a new rooftop terrace and a tenant-exclusive terrace, as well as by providing shower and other facilities. Through these efforts, the building has earned the BREEAM Excellent rating.



Initiatives in Asia and Oceania

Since establishing Mitsubishi Estate Asia Pte. Ltd. in Singapore in 2008, we are promoting real estate business in countries in Southeast Asia and Oceania, such as Vietnam and Thailand. In 2021, Mitsubishi Estate Asia opened its Australian branch in Sydney. We are also promoting development of office buildings, residences and commercial complexes through local subsidiaries in East Asia such as China and Taiwan.

Projects earning environmental certification (examples)



Crystal Bridge, China

This is a large-scale complex development project where construction began in 2023 in partnership with major U.S. developer Tishman Speyer, state-owned real estate developer New Changning Group, and Huolala, a major logistics services company. It is planned to earn LEED certification for the project by greening the city block and considering the environmental performance of the buildings.



Trinity Tower, Indonesia

This is a large-scale office building project which Mitsubishi Estate has developed jointly with The Gesit Companies, Santini Group, and Shimizu Corporation. The project was awarded Best Green Development in the PropertyGuru Indonesia Property Awards 2018, which is given to outstanding real estate projects in Indonesia, in recognition of its advanced environmentally-friendly initiatives. With the commencement of building operation in July 2021, the project earned a Gold rating by the Green Building Council Indonesia (GBCI) in its GreenShip New Building (NB) Version 1.2 rating platform.



CapitaSpring, Singapore

Located in the center of Singapore, CapitaSpring is a high-rise, large-scale, mixed-use complex that Mitsubishi Estate developed jointly with CapitaLand Group, one of Asia's largest real estate companies. Consisting primarily of offices, the complex features serviced apartments, commercial facilities, and other amenities. With its outstanding environmental performance—highlighted by its exterior design evoking nature, efficient use of water and energy, a green area for strolls, and an extensive green area provided by the rooftop garden—CapitaSpring has received Green Mark Platinum, the highest award for the Building and Construction Authority (BCA) Green Mark, Singapore's most recognized environmental performance indicator. Through this facility, we propose new styles of working and living to a wide range of people near Raffles Place station, Singapore's foremost office area.



Parkline Place, Australia

At Parkline Place, a premium office building project, where development is under way in Sydney with the Oxford Properties Group and their subsidiary Investa, Mitsubishi Estate concluded a financing agreement for use as property construction funds thanks to a Green Loan*. Using the funds from this loan, we plan to engage in environmental design that promotes efficient use of energy and resources, and to recycle approximately 90% of construction waste. Through these efforts we aim to attain 6-Star status, the highest level of Australia's real estate environmental certification as well as Core and Shell Certification v3 in the international WELL Building Standard certification program for health and wellbeing.

See the following for more information on green loans.

[ESG Report / ESG Data > Environment > Adopting Sustainable Finance](#)




Sydney Place, Australia

Sydney Place is a large-scale area development project in the Circular Quay area, located at the northern end of the CBD in Sydney, Australia, undertaken jointly with Lendlease, an Australian real estate and construction company, and Ping An Real Estate, a real estate company that is a subsidiary of a major Chinese financial group. In addition to its 180 George Street (Salesforce Tower), a premium office building, the project has developed public plazas and commercial facilities to make the area come alive. The development provides environmentally and health-conscious spaces for the tenant companies and their employees by introducing LED lighting, motion sensors, automatic blinds that open and close according to the outside climate, and car sharing using electric vehicles. As a result of these initiatives, the project has obtained WELL certification Core and Shell rating^{*1} and the Green Building Council of Australia's Design & As Built 6 Star Green Star^{*2}. The project also aims to earn NABERS Energy 5.5 Star^{*3} rating as well.

*1 A WELL certification that mainly covers newly built tenant buildings

*2 A real estate environmental certification system operated by Australia's Green Building Council of Australia

*3 A real estate environmental rating assessed by Australia's National Australian Built Environment Rating System



Environment

Adopting Sustainable Finance

Sustainability Linked Finance

Sustainability Vision 2050-Linked Finance Framework

On March 30, 2023, Mitsubishi Estate formulated the Sustainability Vision 2050-Linked Finance Framework* (“the Framework”). With the aim of realizing a sustainable society, the Mitsubishi Estate Group formulated the Mitsubishi Estate Group Sustainability Vision 2050 presenting its aspirations for 2050 and set out Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes to provide the milestones that establish the specific themes and actions for achieving its vision under its Long-Term Management Plan 2030. In addition to the 2050 Net-Zero Declaration adopted in March 2022 (SBT Net-Zero Certification obtained from SBTi in June 2022), the Mitsubishi Estate Group has been working to achieve the numerical targets and action plans it has established, including targets for women in managerial positions. The Group will work to achieve these targets by utilizing Sustainability Linked Bonds and Sustainability Linked Loans based on the Framework.

*1 Revised Sustainability Vision 2050-Linked Bond Framework formulated in June 2022

[Sustainability Vision 2050-Linked Finance Framework \(PDF 4.4MB\) \(Japanese only\)](#)





Indicators (KPIs/SPTs) based on this framework

KPIs		SPTs		Determination date
KPI1	Percentage of electricity from renewable energy sources * Joined R100	SPT1	Achieve 100% electricity from renewable energy sources by FY2025	December 31, 2026
KPI2	Percentage of reduction in total GHG emissions, including CO ₂ , in the Mitsubishi Estate Group's ^{*1} value chain * Obtained SBTi Net-Zero Standard certification from the SBTi in June 2022	SPT2-1	At least 70% for Scope 1 and 2 combined, at least 50% for Scope 3 by FY2030 (base year: FY2019)	December 31, 2031
		SPT2-2	Achieve net zero by 2050	December 31, 2051
KPI3	Percentage of female managers ^{*2}	SPT3	Achieve 40% female managers by FY2050	December 31, 2051

*1 Selection of target organizations is based on control criteria. Properties in which the Mitsubishi Estate Group's ownership rights and trust beneficiary rights are less than 50% are excluded from data calculations in principle.

*2 A person in a job which has subordinates or a person in an equivalent position without subordinates

See the following for details of the GHG emissions reduction and renewable energy rate targets.

[Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes > The Global Environment](#)



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

[ESG Data > E: Environmental data > 1. Climate Change \(GHG Emissions, Energy Use\)](#)



See the following for details of the third-party assurance conducted by Ernst & Young ShinNihon LLC

[FY 2023 Independent practitioner's assurance report 2023 \(PDF 48KB\)](#)



[FY 2023 Environmental Information \(PDF 686KB\)](#)



[FY 2022 Independent Assurance Report 2022 \(PDF 47KB\)](#)



[FY 2022 Environmental Information \(PDF 379KB\)](#)



See the following for details on Female Manager Targets.

[Social > Promoting Diversity > Empowerment of Women](#)





See the following for data on Female Manager Targets.

ESG Data > S: Social data > 1. Diversity & Inclusion



See the following for details of the verification report from Japan Credit Rating Agency, Ltd.

FY2023 Verification Report by Japan Credit Rating Agency, Ltd. (Japanese only) (PDF 668KB)

PDF

FY2023 Verification Report by Japan Credit Rating Agency, Ltd. (Japanese only) (PDF 710KB)

PDF

See the following press releases for more information.

→ Formulation of New Group-Wide Targets for Reducing CO₂ and Other Greenhouse Gases and Announcement of 2050 Net-Zero Based on a New Standard Defined by SBTi (PDF 547KB) **PDF**

→ Targets for reducing CO₂ and other greenhouse gases emissions Japan's first SBT net zero certification (Japanese only) (PDF 500KB) **PDF**

→ Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes

Third-Party Opinion on Alignment

Mitsubishi Estate obtained a third-party opinion from a third-party evaluation organization stating that the Mitsubishi Estate Sustainability Vision 2050-Linked Finance Framework conforms to the ICMA Sustainability-Linked Bond Principles 2020 and the Ministry of the Environment Green Loan and Sustainability Linked Guidelines 2020.

See the following for details of the third-party opinion from Japan Credit Rating Agency, Ltd.

Third-Party Opinion from Japan Credit Rating Agency, Ltd. (PDF 4.0MB) (Japanese only)

PDF



Issuance of Mitsubishi Estate Sustainability-Linked Bonds

Sustainability-linked bonds are bonds that may change financially and structurally in response to a company's achievement of pre-determined sustainability goals.

1st bond (Issue date: July 22, 2022)

Mitsubishi Estate issued our first Sustainability Linked Bond on July 22, 2022.

Overview

Name	Mitsubishi Estate Co., Ltd. 139th - 141st Unsecured Bonds (Mitsubishi Estate Sustainability-Linked Bonds)		
Terms decision date	July 15, 2022		
Issue	139th bonds	140th bonds	141st bonds
Issue date	July 22, 2022	July 22, 2022	July 22, 2022
Redemption date	July 22, 2027	July 22, 2032	July 22, 2052
Term	5 years	10 years	30 years
Issue amount	20.0 billion yen	20.0 billion yen	20.0 billion yen
Interest rate	0.360%	0.644%	1.543%
KPIs	Percentage of electricity from renewable energy sources	Percentage of reduction in total GHG emissions, including CO ₂ , in the Group's value chain	(1) Percentage of reduction of total GHG emissions, including CO ₂ , in the Group's value chain (2) Percentage of female managers
SPTs^{*1}	Achieve 100% by FY2025	At least 70% for Scope 1 and 2 combined, at least 50% for Scope 3 (base year: FY2019)	(1) Achieve net zero by 2050 (2) Achieve 40% by FY2050
SPTs determination date	December 31, 2026	December 31, 2031	December 31, 2051
Bond characteristics after determination	In the event there is no third-party verified reporting by the determination date that the SPTs have been achieved, donations will be made or voluntary credits that have been certified under a Japanese program or by an international certification organization will be purchased before the redemption date.		
Bond ratings	AA- (Rating and Investment Information, Inc. (R&I)), A+ (S&P Global Ratings Japan Inc.), A2 (Moody's Japan K.K.)		

*1 Sustainability Performance Targets. Targets for improvement in measurable KPIs on which issuers commit to a predefined timeline
See the following press releases for more information.

→ Issuance of Mitsubishi Estate's First Sustainability-Linked Bond (PDF 538KB) (Japanese only) [PDF](#)



Announcement of Investment in the Sustainability-Linked Bonds

See the following press release for information on investors who have announced their investment in the 1st Mitsubishi Estate Sustainability-Linked Bonds.

Issuance of Mitsubishi Estate's First Sustainability-Linked Bonds (2)
- Issuance of Total 60.0 Billion Yen in Sustainability-Linked Bonds - (PDF 539KB) (Japanese only)

[PDF](#)

2nd bond (Issue date: July 22, 2022)

Mitsubishi Estate issued our 2nd Sustainability Linked Bond on May 2, 2023.

Overview

Name	Mitsubishi Estate Co., Ltd. 142nd - 143rd Unsecured Bonds (Mitsubishi Estate Sustainability-Linked Bonds)	
Terms decision date	April 26, 2023	
Issue	142nd bonds	143rd bonds
Issue date	May 2, 2023	May 2, 2023
Redemption date	May 2, 2028	May 2, 2033
Term	5 years	10 years
Issue amount	30.0 billion yen	30.0 billion yen
Interest rate	0.430%	0.900%
KPIs	Percentage of electricity from renewable energy sources	Percentage of reduction in total GHG emissions, including CO ₂ , in the Group's value chain
SPTs	Achieve 100% by FY2025	At least 70% for Scope 1 and 2 combined, at least 50% for Scope 3 (base year: FY2019)
SPTs determination date	December 31, 2026	December 31, 2031
Bond characteristics after determination	In the event there is no third-party verified reporting by the determination date that the SPTs have been achieved, donations will be made or voluntary credits that have been certified under a Japanese program or by an international certification organization will be purchased before the redemption date.	
Bond ratings	AA- (Rating and Investment Information, Inc. (R&I)), A+ (S&P Global Ratings Japan Inc.), A2 (Moody's Japan K.K.)	

See the following press releases for more information.

→ [Issuance of Mitsubishi Estate's Sustainability-Linked Bonds \(PDF581 KB\) \(Japanese only\)](#) [PDF](#)

Announcement of Investment in the Sustainability-Linked Bonds

See the following press release for information on investors who have announced their investment in the 2nd Mitsubishi Estate Sustainability-Linked Bonds.

Issuance of Mitsubishi Estate's Sustainability-Linked Bonds (PDF581 KB) (Japanese only)

[PDF](#)

ESG Finance Award Japan

Our Sustainability Linked Bonds received the Gold Award (Minister of the Environment Award) in the fundraiser category of the 4th (2023) ESG Finance Award Japan, which was established and organized by the Ministry of the Environment to promote and expand the use of ESG finance. See the following press release for more information.



→ [Announcement of the Winners of the 4th Annual ESG Finance Award Japan \(Japanese only\)](#)

Use of Sustainability Linked Loan (SLL)

The Sustainability Linked Loan Principles seek to promote and support environmentally and socially sustainable economic activity and economic growth by setting Sustainability Performance Targets ("SPTs") linked to borrowers' sustainability goals, linking loan terms such as interest rates to borrowers' performance against SPTs, and providing incentives to achieve SPTs.

Conclusion of SLL Agreement with The MUFG Bank

Mitsubishi Estate concluded a sustainability linked loan with The MUFG Bank.

Overview of the Loan

Loan (1)

- Execution date: March 30, 2023
- Loan period: 4 years
- Amount: 15.0 billion yen
- Application of funds: Business funds

Loan (2)

- Execution date: March 30, 2023
- Loan period: 5 years
- Amount: 15.0 billion yen
- Application of funds: Business funds



Goals related to SPTs for this Sustainability Linked Loan

KPI	Percentage of electricity from renewable energy sources
SPT	Achieve 100% by FY2025

Conclusion of SLL Agreement with The Norinchukin Bank

First Loan Agreement (Execution Date: May 29, 2020)

Mitsubishi Estate concluded the Japanese real estate industry's first loan agreement based on a sustainability linked loan with The Norinchukin Bank.

Overview of the Loan

- Execution date: May 29, 2020
- Loan period: 11 years and three months
- Amount: 11.5 billion yen
- Application of funds: Long-term working funds

Third party opinion from Japan Credit Rating Agency, Ltd. (Japanese only) (PDF 1.6MB)

[PDF](#)

Announcement on Entering into Sustainability Linked Loan Agreements (Japanese only) (PDF 510KB)

[PDF](#)



Second Loan Agreement (Execution Date: October 14, 2022)

Mitsubishi Estate concluded loan agreements based on SLLs with The Norinchukin Bank, which will be the second such loans following the one executed on May 29, 2020.

Overview of the Loans

Loan (1)

- Execution date: October 14, 2022
- Loan period: 11 years
- Amount: 25.0 billion yen
- Application of funds: Long-term working funds

Loan (2)

- Execution date: October 14, 2022
- Loan period: 6 years
- Amount: 25.0 billion yen
- Application of funds: Long-term working funds

Third party opinion from Japan Credit Rating Agency, Ltd. (Japanese only) (PDF 3.0MB)

[PDF](#)

Announcement on Entering into Sustainability Linked Loan Agreements (Japanese only) (PDF 532KB)

[PDF](#)

Third Loan Agreement (Execution Date: March 25, 2024)

Mitsubishi Estate concluded loan agreements based on SLLs with The Norinchukin Bank, which will be the third such loan.

Overview of the Loans

- Execution date: March 25, 2024
- Loan period: 4 years
- Amount: 30.0 billion yen
- Application of funds: Long-term working funds

Goals related to SPTs for this Sustainability Linked Loan

KPI	Percentage of electricity from renewable energy sources
SPT	Achieve 100% by FY2025



Green Finance

Mitsubishi Estate Green Bond Issued

The mission of the Mitsubishi Estate Group is to contribute to the creation of a truly meaningful society by building attractive, environmentally sound communities where people can live, work and relax with contentment.

In June 2018, in order to raise funds for the Tokyo Station Tokiwabashi Project currently underway in front of the Nihonbashi exit of Tokyo Station, Mitsubishi Estate issued the Mitsubishi Estate Green Bond, the first in Japan from an integrated real estate company. The Mitsubishi Estate Green Bond was issued based on a framework in accordance with the Green Bond Principles published by the International Capital Market Association (ICMA), and Mitsubishi Estate obtained an opinion on compliance with the principles from a third-party certification institution.

The Mitsubishi Estate Green Bond also obtained the highest GA1 rating in an R&I Green Bond Assessment carried out by Rating and Investment Information, Inc. which evaluates the extent to which proceeds from the issuance of a green bond are used to invest in projects that contribute to solving environmental problems.



Overview

Name	Mitsubishi Estate Co., Ltd. 127th unsecured corporate bonds (Mitsubishi Estate Green Bond)
Date of determination of issuance terms	June 20, 2018
Date issued	June 26, 2018
Maturity date	June 26, 2023
Term	5 years
Total amount issued	20 billion yen
Use of proceeds	All funds will be used to finance the construction of Tower A of the Tokyo Tokiwabashi Project facing Tokyo Station. → Project website (Japanese only)
Bond rating	AA- (Rating and Investment Information, Inc.) A+ (Standard & Poor's Global Ratings Japan) A2 (Moody's Japan)

See the following press releases for your reference (Japanese only).

- [Announcement of the Issuance of Mitsubishi Estate Green Bond to Fund Construction of Tower A of the Tokiwabashi District Redevelopment Project in front of Tokyo Station \(PDF 270KB\)](#) [PDF](#)
- [Mitsubishi Estate Unveils New Name for Its Tokyo Tokiwabashi Project as "TOKYO TORCH" \(PDF 4.3MB\)](#) [PDF](#)
- [Mitsubishi Estate Completes Tokiwabashi Tower \(PDF 5.7MB\)](#) [PDF](#)



Third-Party Ratings Concerning Eligibility

Second party opinion

The bonds were issued based on a framework that followed the Green Bond Principles published by the International Capital Market Association, and the company obtained opinions from a third party certification organization regarding the bond's eligibility as a green bond.

Second Opinion from Sustainalytics
(Japanese only) (PDF 820KB)

[PDF](#)

Green bond assessment

The R&I Assessment evaluates the extent to which funds raised through green bonds are invested in business projects that solve environmental projects. This project received the highest rank of GA1 in the Assessment.

[R&I Green Bond Assessment] Mitsubishi
Estate Co., Ltd. Mitsubishi Estate Green
Bond: GA1 Assessment (PDF 799KB)

[PDF](#)

Ministry of the Environment issuance model cases

The company filed an application for the bond to be considered as a model case by the Ministry of the Environment for its Models of Green Bond Issuance in 2018. It was selected and has confirmed with the Ministry and its contractors that the bond complies with the Green Bond Guidelines 2017.

Pre-Issuance Report (Japanese only) (PDF
1.37MB)

[PDF](#)

Mitsubishi Green Bond Investment Announcements

Please see the following press release for information on investors that have announced their investments in the Mitsubishi Estate Green Bond.

Announcement (3) of the issuance of the Mitsubishi Estate Green Bond to fund the Tower A of the Tokiwabashi District Redevelopment Project in front of Tokyo Station - Terms determined today with an issue amount of 2 billion yen and an interest rate of 0.09% (PDF 270KB) (Japanese only)

[PDF](#)



Allocation Report

Mitsubishi Estate has confirmed that the funds procured from the issue of green bonds to finance the construction of the Tokiwabashi District Redevelopment Project Tower A in front of Tokyo Station have been used in full. The Finance & Accounting Department executive officer in charge of these matters has filed a management assertion regarding the appropriation of these funds.

Procured Appropriations	Appropriations Used	Appropriations to Be Used
19,931 million yen	19,931 million yen	0 million yen

As of July 17, 2020

Management Assertion (Japanese only) (PDF 50KB)



Details of the Tokiwabashi District Redevelopment Project

- A large-scale redevelopment project covering a total area of 3.1 hectares, the largest in the vicinity of Tokyo Station. It includes the development of an approximately 390m super high-rise tower that will become a new landmark for the city of Tokyo and a spacious plaza measuring approximately 7,000m² that will transform the area in front of Tokyo Station, all of which will be developed and equipped in stages. The project is a designated project for the National Strategic Special Zone Program.
- The project will be carried out in stages over a 10-year period while maintaining and updating vital infrastructure functions including sewage pumps and transformer substations within the district.
- As a designated project for the National Strategic Special Zone Program, this project will be located in the middle of Tokyo's chief business center and is positioned to be known as the Tokyo Global Financial Center. To that end it is intended to contribute to urban redevelopment in the following ways:
 1. Renewal of urban infrastructure, creation of a pedestrian network, preparation of a plaza, etc.
 2. Creation of a hub to enhance international competitiveness (finance/business exchange and urban tourism).
 3. Creation of superior disaster management and an eco-conscious urban environment.

→ [TOKYO TORCH project website \(Japanese only\)](#)

DBJ Green Building Certification

Tower A for the Tokiwabashi District Redevelopment Project in front of Tokyo Station has been awarded the Development Bank of Japan (DBJ) Green Building certification as a building that exhibits the highest level of "environmental and social awareness" in Japan (certification obtained March 29, 2019). The structure was subsequently renamed Tokiwabashi Tower and awarded the DBJ Green Building certification upon its completion (certification obtained August 6, 2021).





Use of Green Finance for Office Building Development Project in Sydney, Australia

In December 2021, Mitsubishi Estate entered into a green loan agreement to fund construction of Parkline Place, a premium office building development project being undertaken in Sydney, Australia, in partnership with Oxford Properties Group and its subsidiary Investa.

A green loan is a loan in which the use of funds is restricted to projects that have an effect on improving the environment. This is the first time that Mitsubishi Estate has used a green loan to raise funds for an overseas project.

Mitsubishi Estate plans to use the funds from the loan to promote an environmental design that will help improve efficient use of energy and resources and for initiatives such as recycling approximately 90% of construction waste. Through these initiatives, the company aims to obtain the highest 6-Star rating in Australia's Green Star^{*1} real estate environmental certification system. The company is also considering provision of work-life management, mindfulness, personal health and other such services in addition to environment-related initiatives with the aim of obtaining Core and Shell^{*2} Certification under WELL Certification (WELL Building Standard^{*3}), which is an international certification concerned with health and well-being.

Overview of Green Loan

- Contract month: October 2021
- Lender: Gresham Property (GPF No. 8 Fund)
- Borrowing amount: AUD 700 million (approx. JPY 56.9 billion [AUD1 = JPY81^{*4}])
- Borrowing period: October 2021 - March 2024 (planned)
- Application of funds: Construction costs for Parkline Place
- A real estate environmental certification system operated by the Green Building Council of Australia
- A category of certification within WELL Certification that mainly applies to newly-constructed tenanted buildings.
- A U.S. certification system that evaluates buildings and spaces from the perspective of human health and well-being.
- As of December 2021

See the following press release for more details.

Mitsubishi Estate Announces Green Loan Funding for Parkline Place, its Office Building Development in Sydney, Australia (Japanese only) (PDF 448KB)





Positive Impact Finance

Positive Impact Finance (PIF) is financing based on the Principles for Positive Impact Finance proposed by the United Nations Environment Programme Finance Initiative. As part of this program, financial institutions comprehensively analyze and evaluate both the positive and negative impact corporate activities have on the environment, society, and economy, as they provide loans with the aim of continued support. The most significant feature of the program is that the level of contribution to achieve Sustainable Development Goals (SDGs) through a company's activities, products, and services is used as evaluation indicators and monitored based on publicly disclosed information.

Positive Impact Finance loan agreement signed

In November 2021, Mitsubishi Estate signed a Positive Impact Finance (with unlimited use of funds) loan agreement with Sumitomo Mitsui Trust Bank, Limited.

Overview of the initiative

Date of agreement	November 30, 2021
Loan period	10 years
Loan amount	5 billion yen
Use of funds	Long-term operating funds

In order to help achieve a sustainable society through its business activities, the Mitsubishi Estate Group has established the Mitsubishi Estate Group Sustainability Vision 2050 and has set out the Mitsubishi Estate Group 2030 Goals for SDGs as part of its Long-Term Management Plan 2030, detailing themes and actions established as milestones for achieving this vision.

In concluding this agreement, Sumitomo Mitsui Trust Bank qualitatively and quantitatively assessed the Group's initiatives in the four areas of focus that the impact Mitsubishi Estate Group 2030 Goals for SDGs sets out – namely, environment, diversity & inclusion, innovation, and resilience – areas that particularly have impact toward achieving SDGs. See the following press release for further details.

Notice regarding the Conclusion of a Positive Impact Finance (with unlimited use of funds) Loan Agreement (PDF 357KB)



This program has obtained a third-party opinion from Japan Credit Rating Agency, Ltd. as its assessment procedures being compliant to the Principles for Positive Impact Finance Principles as well as for the rationality of the evaluation indicators employed.

The Japan Credit Rating Agency website for further details (PDF 1.6MB) (Japanese only)





ESG Report / ESG Data Social



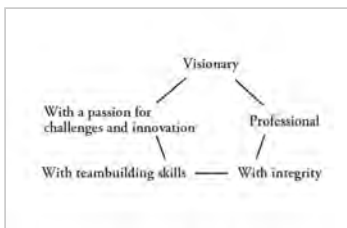
Promoting Diversity

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Enhancing Customer Satisfaction

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Social Contribution Activities / Support for Communities

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Goals and Achievement Status

See the ESG data page for our progress in achieving diversity-related goals.

[ESG Data > Social Data](#)



Empowerment of Women

Establishment of Action Plan to Promote Women's Success

Mitsubishi Estate has established and published an action plan in accordance with Japan's Act on the Promotion of Female Participation and Career Advancement in the Workplace.

The action plan sets out targets and specific initiatives aimed at achieving a positive working environment for women in accordance with the objective of the Act, which is to promote women's participation and advancement.



Overview of Action Plan

Period of the Plan

April 1, 2021 – March 31, 2026

Our Challenges

1. Although recruitment of women is on the rise, it is difficult to increase the number of female managers rapidly due to the low levels of recruitment in the past. Therefore, it will be necessary to increase the number of female managers steadily, including the number of female candidates for middle management positions.
2. To realize a workplace environment in which it is easy to balance childcare and work, it is also important to raise the percentage of male employees taking childcare leave. However, the target of 100% has not been achieved.

Objectives

1. Raise the percentage of female managers to more than 20% by 2030.
2. Raise the percentage of eligible men taking childcare leave to more than 75% by fiscal 2025 with an eye on achieving 100% by fiscal 2030.

Initiatives

1. Boost recruitment of women in new graduate and mid-career hiring
 - Strengthen public relations activities aimed at women with a goal of bringing the percentage of women in new graduate and mid-career hiring to more than 40%.
2. Create an environment that makes it easier for women to continue working
 - Host forums (roundtable discussions, lectures, etc.) providing information facilitating work-balance with child rearing as well as career development for female employees who are taking childcare leave or who have returned to work for a certain period after returning.
 - Provide interviews with human resources divisions/departments on return to work from childcare leave.
 - Raise awareness of the reemployment program and leave system in conjunction with the transfer of a spouse.
3. Initiatives to raise the percentage of men taking childcare leave
 - Monitor the use of childcare leave by male employees whose spouse has given birth and encourage them to take the leave.
 - Host roundtable discussions, etc. by male employees who have taken childcare leave to encourage men to take the leave.

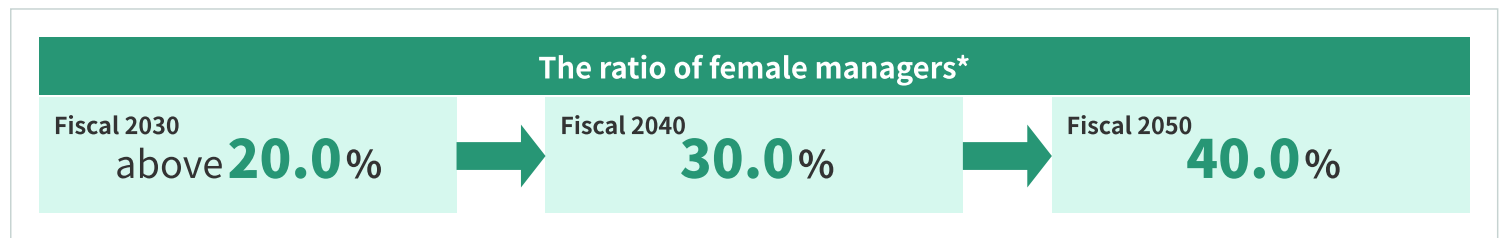


The full text of the action plan is available here.

Action Plan based on the Act on the Promotion of Female Participation
and Career Advancement in the Workplace (PDF 73KB)

PDF

In addition, we have examined our future vision and set targets for the ratio of female managers: 20% by fiscal 2030, 30% by fiscal 2040, and 40% by fiscal 2050. In order to achieve these goals, we will promote gender balanced recruitment activities, introduce a personnel system that allows flexible work arrangements, hold internal roundtable discussions and seminars regarding balancing work and childcare for both men and women.



* Ratio of female managers at Mitsubishi Estate

*those in positions where they manage subordinates, or above, and those who are in equivalent positions even if they do not manage subordinates.

Hiring of Persons with Disabilities

Mitsubishi Estate actively seeks to hire persons with disabilities, in response to social demands to ensure their employment opportunities. The company strives to create a workplace in which all employees can demonstrate their unique skills without regard to their disability and provide the environment they need for success.



Various Programs for Work-Life Integration

At Mitsubishi Estate, we believe in the importance of not creating barriers between work and daily life, but rather, in viewing both as one and achieving comprehensive fulfillment (work-life integration). To achieve this, we have established various systems that allow employees to choose a variety of work styles.

List of work-life integration and employee health promotion programs and welfare initiatives (Mitsubishi Estate)

Name of program	Overview of program
Flextime program	In principle, eligible employees can on prescribed working days work between 6.00 a.m. and 8.00 p.m. Note: The Company officially abolished core working hours (the period when employees are required to attend work) in April 2023.
Childcare leave of absence	Can be used until the end of the fiscal year in which the child turns three years old (14 days of paid leave from the day on which childcare leave starts) * The legally stipulated period in Japan is until the child's first birthday as a general rule (or until the child turns two years old as a maximum in special circumstances).
Nursing care leave of absence	Can be used for a maximum of three years (can be divided into shorter durations up to three times)
Nursing care leave of absence for children	Can be used until the end of the March after the child enters the third grade in elementary school Can be used as a special paid leave of absence until the child enters elementary school
Nursing care leave of absence for family	Can be used as a special paid leave of absence
Shortened work hours for childcare	Can be used until the end of the March after the child enters the third grade in elementary school Daily work hours can be shortened by up to 2.5 hours in increments of 15 minutes
Shortened work hours for nursing care	Can be used within three years of the start of use for each person in the eligible family Daily work hours can be shortened by up to 2.5 hours in increments of 15 minutes
Flextime program for pregnant women, those caring for children and those nursing family members	Can be used during pregnancy Can be used until the end of the March after the child enters the third grade in elementary school Can be used within three years of the start of use for each eligible person in the family (Work hours can be shortened by up to 2.5 hours in increments of 15 minutes)
"Refresh" vacations	Special paid vacations are given every five years after five consecutive years of employment Company pays travel costs after 25 or 30 years of consecutive employment (upper limit imposed)
Accumulated vacation	Employees can accumulate up to 90 days of paid vacation that was not used. This can be used for the employee's or family member's illness, a spouse's childbirth, to participate in volunteer activities, childcare or nursing care for family members, among others.
Retiree Reemployment System	Can be used following the specified interview when an employee resigned due to childcare, nursing care for family members, changing jobs, or starting a business
Leave system for the transfer of a spouse	Leave up to three years can be taken to accompany a spouse on a relatively short transfer (overseas traineeship/study of approximately 1-2 years)



Name of program	Overview of program
Transfer request system for spouses relocating to a new location	An employee in a position that does not normally involve transfers can transfer within the Group when wishing to relocate due to the transfer* of a spouse only when it is organizationally feasible * Limited to Japan
Hourly paid leave program	Paid leave is available in one-hour units (using eight hours is equivalent to using one day of paid leave)
Teleworking program	It is possible to work at a location other than the company, such as a satellite office affiliated with the company or at home
Expense subsidy program based on cafeteria plan	The program provides subsidies for expenses on employee health promotion activities (sports activities and checkups not covered by insurance, etc.)
Consultations with occupational health physician	An initiative to provide consultations with an occupational health physician for employees, including managers, who have exceeded the 80 hours of statutory monthly overtime work
Positive Off Movement	An initiative to set targets for the number of days of paid leave taken and to encourage employees to take paid leave

Support for Combining Work with Raising Children

Mitsubishi Estate has established a general action plan compliant with the Japanese law called "Act on Advancement of Measures to Support Raising Next-Generation Children," to help its employees balance work and childcare. The company is recognized as a childcare-supportive company by the Ministry of Health, Labour and Welfare and received Kurumin Mark certification in 2017.

As part of its efforts to support childcare, the Mitsubishi Estate Group provides support such as temporary daycare services using contracted daycare centers and subsidies for the cost of babysitting, as well as opening a center that helps employees find daycare services for their children. Information on programs available for childcare is provided on its intranet site for pregnancy, childbirth, and childcare information.

Support for Combining Work with Nursing Care for Family Members

Mitsubishi Estate also offers a range of programs to support employees who are providing nursing care for their family. Employees can take nursing care leave or work shorter hours while nursing family members. In addition, a nursing guidebook is issued and internal seminars are held to offer information on caring for family members.

Support for Employees' Life Plans

In fiscal 2024, Mitsubishi Estate extended the retirement age from 60 to 65 and established a new system that allows employees aged 60 and over to choose their retirement age.

We have also established an environment that allows experienced employees to play active roles, including provision of training on life and career planning before the age of 60. At the same time, the company has in place an early retirement system that provides additional benefits before the age of 60 and other programs, thereby meeting the diverse expectations of employees for life after retirement.



Social Creating Environment and Programs Conducive to Open Innovation

Programs to Encourage Open Innovation

In order to promote business in a social and economic environment that is changing at an increasingly rapid speed, Mitsubishi Estate is engaging in business model innovation. In October 2019, Mitsubishi Estate established new personnel programs for the purpose of encouraging open innovation and expanding further the possibilities for independent career choices by individuals.

New Business Proposal System—Mitsubishi Estate Group Innovation Challenge (MEIC)

Through the New Business Proposal System, launched in 2009, we have extensively sought business proposals and ideas from employees. With more than 130 applications received to date, the system has realized new initiatives that have helped diversify the Group's sources of earnings and strengthen its core business, such as GYMM, a pay-as-you-go gym, and Ecorfurni, a business reselling used office furniture. In 2021, we launched the Mitsubishi Estate Group Innovation Challenge (MEIC) program to expand the scope of this system to encompass Group companies. We will continue striving to strengthen systems for encouraging employees to take on challenges with the aim of spurring Groupwide innovation.

Borderless! x Socializing! Initiative

On April 1, 2017, we established the Work Style Reform Promotion Committee, chaired by the president & chief executive officer, with the aim of strongly promoting the top-down reform of our corporate culture, the streamlining of business processes, and the creation of new value through increased productivity. In August 2018, the committee was renamed the BxS (Borderless and Socializing) Committee. The BxS Committee's promotion secretariat plays a central role in developing a variety of activities aimed at Companywide workstyle reforms and improving operational efficiency. Every year, the secretariat conducts a survey on the status of the Mitsubishi Estate's operational efficiency, workstyles, and corporate culture and reports the results of the survey Companywide. Any issues that become apparent from the results of the survey become a theme for discussions centered on the secretariat from the following year onward.



Secondary Job Program

Mitsubishi Estate has established a secondary job program* based on a permit system to help employees maximize their own potential through diverse experience and encourage them to accept various challenges that lead to their growth or career advancement. In so doing, the company aims not just to help the knowledge and connections obtained through a secondary job be returned into the core business, but also to create an environment for employees to work with more satisfaction through self-actualization.

* Excludes businesses that involve a conflict of interest with Mitsubishi Estate, such as competitors. Working hours up to 50 hours in any single month.

Open Recruitment of Human Resources with Secondary Jobs and Dual Employment in Some Businesses

In some of its businesses, primarily new ones, Mitsubishi Estate has begun accepting human resources with secondary jobs and dual employment* through open recruitment to hire a broad range of human resources that possess knowledge not present in its existing businesses. As the first step, in the meditation studio operation business, which was established in April 2019 through the new business proposal program, Mitsubishi Estate recruited and employed* human resources with responsibility for planning brand and marketing strategy from among human resources with secondary jobs and dual employment.

* Assumes once weekly employment based on an individual outsourcing agreement with Mitsubishi Estate.



Creating an Office Environment that Leads to Value Creation

Initiatives at Mitsubishi Estate Head Office

Mitsubishi Estate upholds the concept of "Borderless! × Socializing!" for its head office and has implemented a range of initiatives to create a venue for generating new value through spaces where people can connect with one another without borders and fully demonstrate their strengths. The company put this aspiration into practice as part of our work style reforms for productivity and employee health advancement.

While continuously implementing reform of the office environment and systems, Mitsubishi Estate is also implementing a range of verification testing at the head office in such areas as biometric security and the use of robots for tasks such as cleaning and serving tea. The achievements, knowledge, and expertise obtained through these initiatives are being utilized in proposals to customers, planning for new office buildings, and urban development.

Mitsubishi Estate is also promoting SDGs awareness and initiatives of employees at the head office as part of its efforts to help realize a sustainable society. These include the holding of events for employees to familiarize themselves with social issues through food at the in-house cafeteria, the establishment of a display area where they can experience sustainable products from around the world, and enhancing the effective sorting of waste (into 15 types).

In addition to the Otemachi Park Building head office, which is already available to Group companies, Mitsubishi Estate opened satellite offices in Marunouchi and Yurakucho for the use of Group companies in response to such needs as promoting efficient and flexible workstyles, strengthening BCPs, creating bases for information sharing and events, and deepening communication throughout the Group. These offices have been named "MIX," expressing the hope that they will be places where diverse people from the Group and sometimes from outside the Group will mix together and create new value.



Free-address work environment

Employees can choose locations on any given day from a host of different seating options, including low tables, high tables, large and individual desks, to match their workstyle preferences. Efforts are also made to reduce paper and digitalize documents, eliminating more than 70% of document storage cabinets compared with pre-relocation.



Internal staircase to eliminate borders between floors

Private stairways have been installed so that employees can move freely between floors, bypassing the building's common areas. This encourages spontaneous communication, promotes health and mitigates the risks posed by loss or theft of confidential materials.



SPARKLE Cafeteria

The cafeteria can also be used as a workspace to facilitate the creation of new ideas and insights. It also serves as place for communicating through food and is used as a space for sharing information on subjects of interest to the company such as health management, the SDGs, and project introductions.



One-third allocated to common area

One-third of the head office is allocated to a common area. This helps to create inspiration through casual communication and to increase motivation and productivity.



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MIX MARUNOUCHI

Also available for use as an event space.

Initiatives at Mitsubishi Jisho Property Management Head Office

Mitsubishi Jisho Property Management received the New Office Promotion Award as part of the 35th Nikkei New Office Award program, sponsored by Nikkei Inc. and the New Office Promotion Association (NOPA). The company's head office is located on the second floors of the Marunouchi 2-chome Building and the Marunouchi-Nakadori Building, straddling the street of Marunouchi Nakadori. The renovation of the head office was based on the concept of "Open the Blinds" to open up the blinds both visually and psychologically, and treats the offices which are spread across two buildings as one floor, with Marunouchi Nakadori viewed as a courtyard. The renovation was designed to offer a variety of venues for people to meet to co-create new value while feeling in every sense connected with the city. Besides the reception area and a collaboration area where customers and partner companies are welcomed, the renovated head office has created various spaces for enhancing communication, including MIX Marunouchi, a group office available to employees of the Mitsubishi Estate Group.



Offices located on the second floors of buildings straddling Marunouchi Nakadori



Reception area in the Marunouchi 2-chome Building



Office interior



Initiatives at Mitsubishi Estate Home Headquarters

In line with relocating its headquarters from the Kokusai Shin Akasaka Building to Shinjuku Eastside Square in June 2022, Mitsubishi Estate Home has launched Tokyo Base. This future co-creation office packed with various new features aims to provide employees with an environment allowing them to work with greater freedom and energy, to increase the value we provide to customers, and to help solve social issues.

This is the first location at the Mitsubishi Estate Group to adopt activity-based working (ABW) with the goal of creating a vibrant atmosphere where employees can enjoy working. ABW offers employees the freedom to select from various types of work points (seats) depending on their current tasks, which help maximize the performance of all employees.

There are recharge spaces in the open café and work area where employees can relax, replete with furnishings made from Japan-grown timber, something we focus on as a core value. Touching and feeling the logs and saplings on display helps raise employee awareness of the issues the Japanese forestry industry faces, inspiring them. Interacting with our core values in the possibilities of wood and experiencing first-hand our product values helps trigger the emergence of innovation that has true value as they work with their customers and partners.



Japan-grown structural materials normally used in our custom-made detached housing projects are repurposed in the café space



Initiatives at the MEC Design International Head Office

MEC Design International*, which engages in interior design for offices and other spaces, refurbished its head office in Chuo-ku, Tokyo in February 2022 embracing diversification in values and changes in lifestyle and the way people work in its own offices.

Incorporating numerous opinions and requests from employees through in-house questionnaires and workshops, the company established “Act More, More Real” as a grand concept for a refurbishment to express employees’ styles of working. Drawing inspiration from the walkways alongside canals, the seamless connection of a WALK zone where employees actively mingle and a WORK zone that realizes flexible work styles creates an office bringing together diverse human resources and allowing a full sense of their passion to be expressed while achieving a balance between life and work.

In an office that adopts activity based working (ABW) and provides a variety of work environments, employees can freely choose where to work according to their individual needs and requirements. This means they can act more like themselves, inspiring one another, and create a place that communicates MEC Design International’s passion as a design firm to the world. In the refurbishment, with contributing to the SDGs in mind, the company also made efforts to reduce building material waste and effectively utilize surplus and recycled products. Instead of conventional furniture and fixtures, long-lasting and health-conscious products were selected.



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Interact and Share (Work Lounge/Café Counter)

The lounge, which has a versatile layout and can be used for a variety of purposes, is located directly next to the reception area to encourage internal and external interactions.



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Experience, Experiment, and Combine (Gallery, Atelier)

Located in the center of the space is a work area that includes manufacturers’ sample displays and work counters with various usage scenarios in mind where people can experiment and combine various materials to create new spaces. It’s a work space where the process of space creation can be communicated and felt in a realistic way.



Learn and Concentrate (Book Library)

The library area connected to the atelier is a place for reading and sharing the latest information on trends in Japan and overseas.

- * MEC Design International Corporation: As a comprehensive interior design firm in the Mitsubishi Estate Group, it is involved in design for offices, residential interiors, hotels, commercial spaces, and others. With its team of professionals conversant in interior design, the company provides a wide range of services from consulting, conceptualization, planning, design, and construction through to procurement of furniture, fixtures, and equipment (FF&E).

MEC Design International





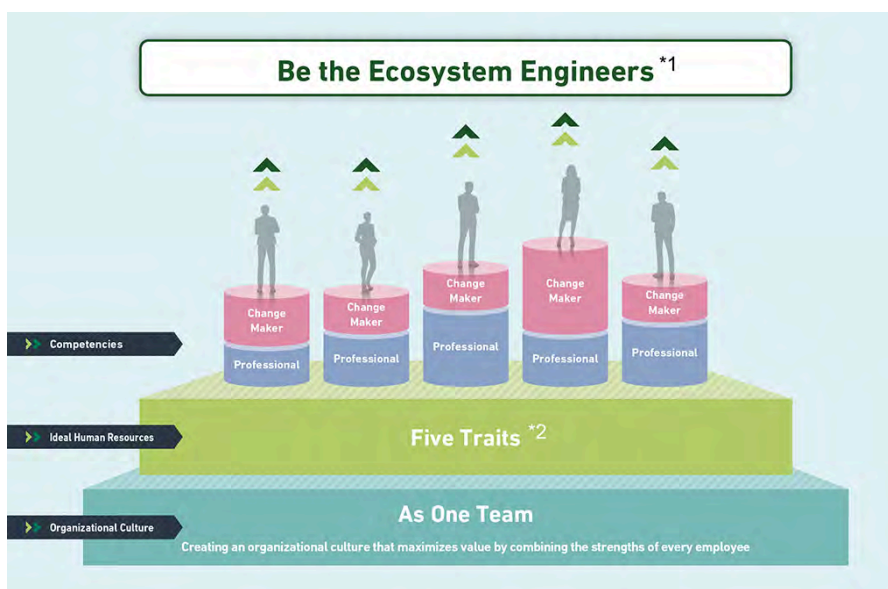
Basic Policy and Approach

The Mitsubishi Estate Group believes human resources are an important asset for realizing Long-Term Management Plan 2030 and creating new value for society. In addition, the Group formulates the vision for its human resources and organization based on the distinguishing features of its business model and its future business policies.

Vision for Our Ideal Human Resources and Organization

The Mitsubishi Estate Group promotes a wide range of businesses on a Groupwide basis, including the Commercial Property, Residential, International, and Investment Management businesses. The Group believes it needs human resources who can demonstrate the competencies that comprise the two roles of “Professional” and “Change Maker” while possessing the five traits it requires of them to achieve further business expansion.

Creating Value as the Mitsubishi Estate Group Demonstrating the Qualities of Professionals and Change Makers





*1

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.

*2 Five Traits

Traits	Definition	Desired Strengths
People with Vision	People who can visualize what they want to achieve and have the determination and dynamism to do so	The ability to create and promote their vision with determination and courage
People with Frontline Capabilities and the Required Skill Sets for Their Role	People who develop their skills and knowledge as a professional in both their field of specialization and the real estate industry and who have the ability to drive business forward	The ability to make sound judgments, be customer-oriented, and drive business forward while also being productive and possessing risk management skills as well as professional-level skills and knowledge
People with Integrity	People with high ethical standards, who act with integrity and fairness, and who build good relationships with those around them	Open-mindedness and high ethical standards
People with TeamBuilding Skills	People capable of carrying out human resource development and management in order to increase the competitiveness of the organization	The ability to nurture talent, work as part of a team, and deploy management skills
People with a Passion for Taking On Challenges and Innovation	People who are not bound by precedent or convention and who have the spirit to take on challenges and act without fear of failure	Challenge-oriented and innovative



Competencies

- Qualities Required in Every Employee -

Professional Human resources who create new value using their specialist expertise

In addition to steadily advancing large-scale developments in Japan, Mitsubishi Estate recognizes that it must strengthen its International Business, expand its non-asset business, and advance into businesses in the services and content domain, while becoming a trusted presence as a developer capable of leading its partners by maintaining an awareness of its role and skills as a professional in those fields to accelerate the development of businesses in order to create value and achieve Long-Term Management Plan 2030. Based on this view, the Company has improved its recruitment of specialist human resources in various domains and invested proactively in training programs to help all employees acquire and strengthen the expertise they require.



Measures

Utilizing the Competency Development Program

Positioning the knowledge, skills, and experience required for each job grade as Compulsory Study Topics, Mitsubishi Estate provides training and access to external courses for every employee to acquire such knowledge, skills, and experience within fixed periods to facilitate their lifelong learning. The Company has also established a program to provide full subsidies of up to ¥300,000 per year for employees to attend courses on required competency development topics (27 in total, including foreign languages, business skills, digital transformation, the SDGs, and liberal arts) as Optional Study Topics.

FY2023 Results

Number of Participants (cumulative total)

Compulsory Study Topics: 247

Optional Study Topics: 523



Strengthening the Recruitment of Specialist Human Resources

Since FY2020, Mitsubishi Estate has been strengthening the recruitment of specialist human resources for business domains to be improved strategically in order to achieve Long-Term Management Plan 2030. In particular, the Company is proactively recruiting specialist human resources for the DX domain, creating a digital specialist position in FY2024 and advancing a system to properly train and assess DX human resources.

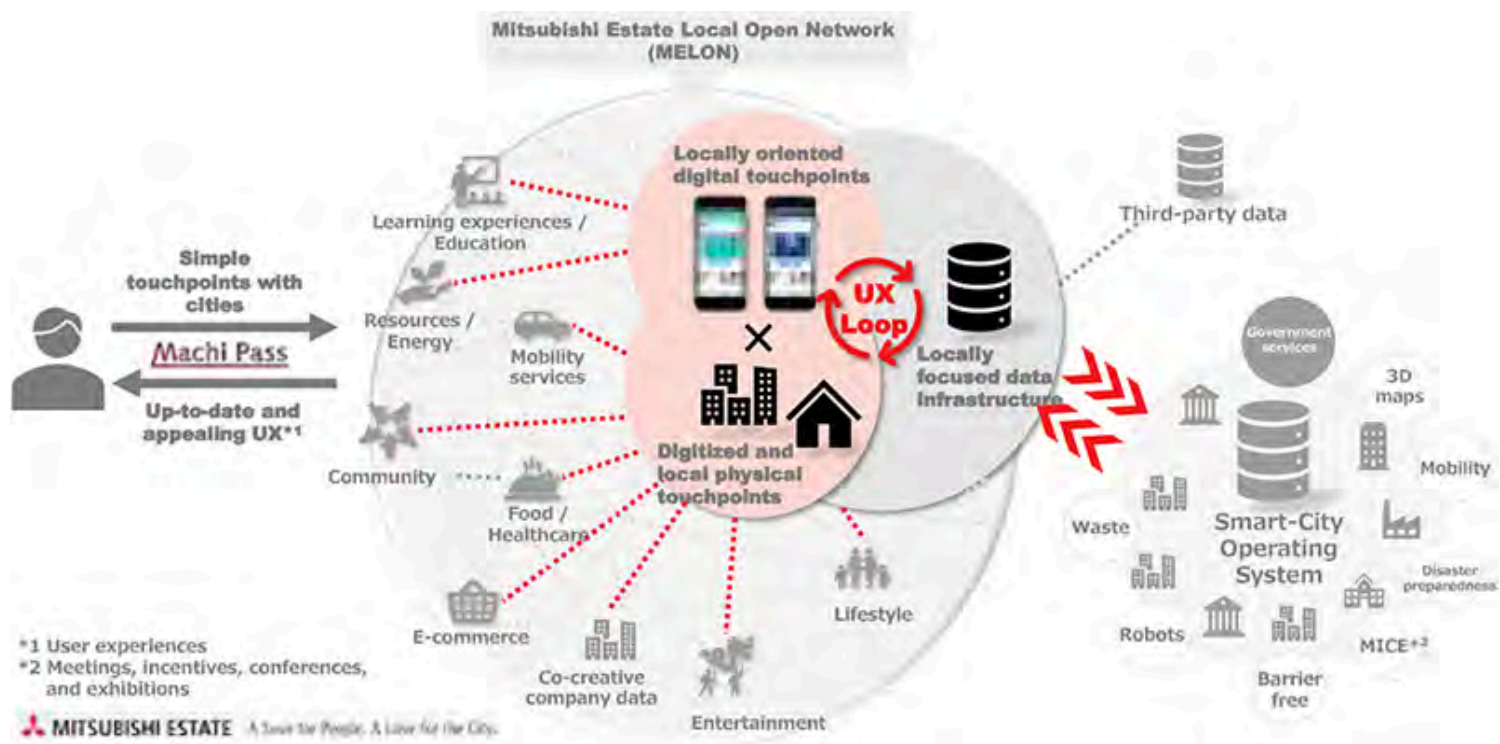
FY2023 Result

Number of Recruits: 24
(specialists and digital specialists)

Accomplishments (Value Created)

DX Promotion Leveraging Professionals

In accordance with the Mitsubishi Estate Digital Vision, formulated in June 2021, digital specialists take the lead in building secure IT infrastructure, developing digital contact points and online services, and reforming and strengthening existing businesses in the Group. For example, these efforts have delivered results that have direct business impacts by leveraging flow data obtained from our business data and various touchpoints on a common data platform accessible to all Group companies.

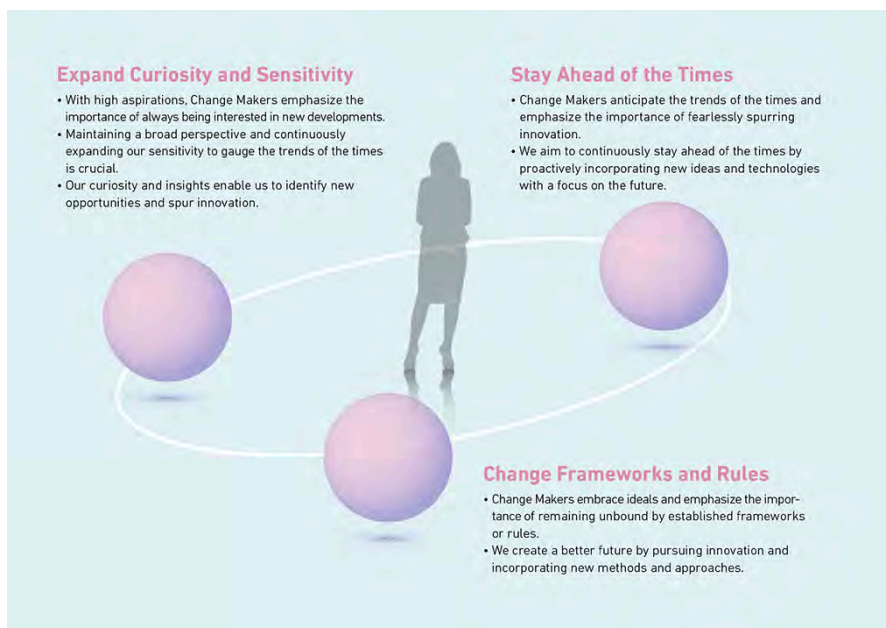




Change Maker

Human resources who augment each other's strengths through collaboration

A distinguishing feature of the Mitsubishi Estate Group's business model is the need to grow businesses by continuously creating new value and domains in accordance with new lifestyles and trends ahead of the times as a developer engaged in urban development, which is a long-term business. The Group requires employees to have the spirit to take on challenges without being bound by precedent, so that they can identify issues from fresh perspectives and augment each other's strengths through collaboration by using internal and external networks while leveraging the Group's strengths of a long-term perspective and forward-looking DNA.



Measures

Providing Training to Spur Innovation

Mitsubishi Estate provides training for employees newly appointed to positions where they will become managerial candidates. The training requires the candidates to rethink their aspirations and reform their own behaviors to spur innovation.

FY2023 Results

Participation Rate: 100%



Using the 10% Rule System

We have introduced a system that seeks to have employees dedicate 10% of business hours to activities promoting business model innovation, or activities improving operational efficiency and transforming our corporate culture that contribute to such innovation. The content of the activities is included in assessments of human resources.

Employees are free to choose how they use their time and are currently working on a wide range of topics, such as developing measures to improve efficiency in their daily work, building networks with external parties, and preparing applications for the New Business Proposal System. An internal survey found over 70% of employees were engaged in business model innovation through such initiatives. We aim to increase that percentage even further.

FY2023 Results

**Percentage of Employees Engaged
in Business Model Innovation:
71.0%**



Achievements (Value Created)

Taking On the Challenge of Developing a Flying Car Business

Mitsubishi Estate's involvement in a flying car business, which it positions as one element in the city of the future, began with the efforts of an employee who used the Company's 10% Rule System to realize business model innovation. A mobility revolution featuring flying cars will expand our business, creating a borderless world and transforming lifestyles—a prime example of a business that is ahead of the times.



Designed by Mitsubishi Jisho Design



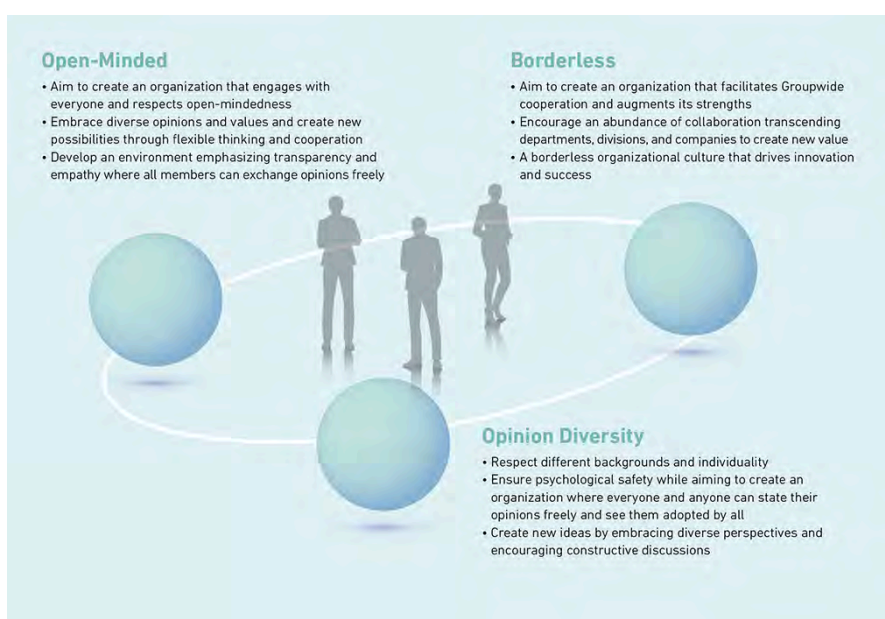
Organizational Culture

As One Team

An organization that maximizes value by combining the strengths of each of its employees

The Mitsubishi Estate Group recognizes that accommodating diverse human resources and workstyles is crucial to managing and operating its businesses. The Group therefore aims to maintain a well-balanced composition of employees in terms of nationality, gender, age, career stage (graduate recruits and mid-career recruits), and other characteristics.

In particular, Mitsubishi Estate focuses on ensuring diversity in its recruitment through a range of initiatives, such as setting a target for female employees to account for more than 40% of its workforce every year, introducing a recruitment process for non-Japanese human resources in its graduate recruitment, and strengthening recruitment of mid-career hires (mid-career hires account for approximately 40% of new recruits in the average year). We also encourage a diversity of opinions to create an environment where employees can freely express their diverse values and views with peace of mind. In this way, the Group aims to achieve ongoing growth by creating a vibrant workplace.



Measures

Determining the Current State of Gender Diversity and Implementing Measures

In FY2023, Mitsubishi Estate conducted an attitude survey of all employees to determine the current state of gender diversity within the Company, sharing the issues that emerged with directors and members of the management team. Based on the survey results, in FY2023 we advanced measures to create an organizational culture that facilitates gender diversity. These include communicating messages from the president & CEO, becoming a signatory to the Women's Empowerment Principles (WEPs), and holding luncheons with executives and female employees as part of efforts to support the career development of women.

FY2023 Results

Number of Respondents: 1,031

Response Rate: 81.6%



Holding Unconscious Bias Training

In FY2023, Mitsubishi Estate held unconscious bias training for all employees based on the results of the attitude survey outlined on the left to further instill opinion diversity. In each business unit, employees watched a video and engaged in discussions. In a post-training questionnaire, 99% of respondents stated that they understood the concept of unconscious bias.

FY2023 Results

Number of Participants: 1,277

Participation Rate: 97.0%

Future Direction

Holding an Engagement Survey

Although we already monitor and disclose employee satisfaction levels (the proportion of employees responding in the affirmative to a question in the in-house, employee questionnaire, asking if they find their work rewarding), we plan to hold an engagement survey in FY2024 to identify organizational and individual issues in greater detail and implement measures aimed at ensuring that all employees work "As One Team."

Personnel Evaluation System

Mitsubishi Estate conducts two types of personnel evaluations: MBO (Management By Objectives) and behavioral evaluation.

MBO is conducted once every six months, and targets for each job are set in advance by the employee and the primary evaluator, and the actual degree of achievement is evaluated.

Behavioral evaluations are conducted once a year to assess the degree of fulfillment of the five traits, and elements we seek within each trait defined for each grade ("People with vision," "Professional People," "People with Integrity," "People with Team-Building Skills," and "People with a Passion for Taking On Challenges and Innovation").

MBO and behavioral evaluations are graded by the evaluator, primary evaluator, and secondary evaluators and will be linked to bonus and salary.

The results of the evaluations along with expectations of the employee are communicated by the evaluator during the semi-annual feedback meeting.



Initiatives for Human Resource Development

Human Resource Development Programs

Mitsubishi Estate provides a range of training to recognize positions according to the growth stage and develop the skills of employees. The company supports individual growth through provision of programs such as joint Group training for new hires and newly appointed managers and skill development programs to help individual employees acquire the knowledge and skills they need and to encourage independent and self-directed study.

Target	Level-specific training	Capacity development program		Programs to support acquisition of qualifications	
Directors	Director program	Group company executive management skill training program		<ul style="list-style-type: none"> Registered Real Estate Broker license ARES Certified Master qualification Condominium Manager Facility Manager Certified Building Administrator Real Estate Consulting Master Real Estate Appraiser Redevelopment Planner Other 	
Level 3 Management career	Level 3 New management career training	Capacity development program <ul style="list-style-type: none"> Logical thinking Presentation 			
Level 2 Management career	Level 2 New management career training	Human resource development training	Global human resource development <ul style="list-style-type: none"> Short-term posted training to business schools and other locations Trainee system Short-term language training Study abroad Programs to Improve language skills 		
Level 1 Management career	Level 1 New management career training	New manager training (organized Group-wide)			Evaluator training
Level 3 Professional career	Level 3 New professional career training	<ul style="list-style-type: none"> Accounting & finance Basic real estate Marketing Facilitation Labor Standards Act Financial strategy Human resource development (coaching, behavior evaluation) 			
Level 2 Professional career	Level 2 New professional career training	<ul style="list-style-type: none"> Organizational development (leadership) Management strategy Global economy Authority and responsibilities, required roles, Companies Act, etc. Risk management Compliance 			
Level 1 Professional career	3rd Year training	2nd Year training	New recruit training		<ul style="list-style-type: none"> General corporate law Human rights awareness & diversity SDGs Digital transformation (DX), and new business creation (design thinking, etc.)



Offering a Wide Range of HR Development and Training Programs

The Mitsubishi Estate Group carries out a wide range of training programs to develop employees' capabilities and raise their awareness about compliance and human rights.

In addition to basic skill development programs, Mitsubishi Estate has established a range of elective skill development programs that give employees the opportunity to choose at their own initiative.

Internship Program

Mitsubishi Estate runs an internship program to help interns understand the nature of the job and the industry.

Mitsubishi Estate Group-Wide Training

- New recruit training/New recruit follow-up training/Self-care training
- 2nd Year training/3rd year training
- Joint time management training
- Marketing
- Presentation training
- Logical thinking training
- Practical coaching training
- Business law training
- Financial affairs & Accounting training
- New manager training/New manager follow-up training



Global Human Resource Development Initiatives

As part of the Global Basic Skill Strengthening options to develop human resources capable of thriving on the global stage, Mitsubishi Estate provides programs such as short-term overseas language training and has introduced a system to subsidize second-language studies. Additionally, under the Global Business Skills Strengthening option, employees can take part in a training system where they gain practical experience at Group companies in the U.S., the U.K. and Asia. There are also study-abroad and business school programs available so they can develop the capabilities needed to perform in a global environment.

In addition to medium and long-term dispatch programs, there is also a lineup of short-term programs lasting approximately one month, making it easy for employees who are unable to leave the workplace for long periods of time to participate. Moreover, internal debriefing sessions are held after the training so that results and lessons can be shared widely with other employees, helping everyone see how a global mindset is relevant to their own work.

Mitsubishi Estate will continue to augment its training programs in and outside of Japan to ensure that they are useful to and available to employees in a wide range of positions.

Consultations for Career Development

At Mitsubishi Estate, employees set goals for their own work, their contributions to the organization, and their skill development. They then review their achievements every six months via management by objective (MBO) consultations with supervisors. They also confirm the evaluation of their performance in these consultations, and salary changes are decided based on the results of these appraisals. The company also holds human resource consultations with every employee (with the exception of Level 3 management career employees and re-employed contract employees), aiming to solicit their views and requests of the company as well as to promote skill development.



Utilizing Human Resources and Organizational Data and Information

Utilizing Human Resources and Organizational Data and Information in Developing Recruitment Strategies

We analyze the number of applicants for each recruiting channel and the number of pages viewed on our recruiting website, and conduct recruiting activities while exploring more efficient ways to disseminate information to candidates.

We conduct our recruiting activities by considering the channels through which we can approach candidates with the necessary skills and experience.

We analyze the results of aptitude tests taken by candidates at the time of entry into the main selection process, and use the results in our recruitment activities for the following year and beyond.

Conducting Periodic Employee Surveys to Analyze Conditions and Trends of the Company and Each Department

Once a year, we conduct a periodic employee survey on job satisfaction, openness of each department, and the status of operational efficiency.

Based on the survey results, we analyze the characteristic trends by department, branch, or position and grade to improve workplace environment and corporate culture.

Consolidation and Utilization of Information on Human Resource Based on Management Strategies

We formulate personnel allocation plans that considering the number of employees, skills, etc. required, each department's job description, job characteristics, and plans, as well as company-wide management strategies.

In addition, we strive to promote and enhance performance of diverse individual employees by consolidating and utilizing employee information (assignment and job history, experience, career aspirations, etc.) through our personnel system and periodic personnel interviews.



Policy on Human Rights

As a member of society, the Mitsubishi Estate Group is keenly aware of the importance of respect for human rights. To fulfill our responsibility to respect the basic human rights of all stakeholders, not only those involved in Group businesses, we set up the Mitsubishi Estate Group Human Rights Policy on April 1, 2018. The Policy was formulated and published under the name of the President & Chief Executive Officer of Mitsubishi Estate Co., Ltd. following deliberation by the Executive Committee and Board of Directors, and has been communicated to parties both in and outside the Group.

Respect for human rights is part of the Mitsubishi Estate Group Guidelines for Conduct, which all employees are expected to follow on a daily basis. These Guidelines stress the importance of respect for human rights and diversity, which means that employees show concern for human rights and the environment in the course of their business activities. The Human Rights Policy adds to this by mandating respect for the fundamental human rights of all the stakeholders involved in the Group's businesses, throughout its supply chain. The Mitsubishi Estate Group does not tolerate any form of discrimination and human rights violations based on nationality, race, color, language, religion, sex, gender, sexual orientation, gender identity, age, political or other opinion, national or social origin, property, disability, birth, class or other status in its corporate activities, and is committed to ensuring equal opportunity.

Mitsubishi Estate Group Guidelines for Conduct (excerpt)

4. Respect for human rights and diversity

We respect human rights and believe that diversity maximizes value.

1. We respect human rights at all times.
2. We reject discrimination and harassment in any form.
3. We strive to establish a creative and competitive organization that safeguards and respects the beliefs of the individual as reflected in the diverse communities in which we work and live.
4. We foster an open corporate culture in which all employees are encouraged to speak freely.





Mitsubishi Estate Group Human Rights Policy (excerpt)

We uphold and respect international standards related to human rights. These include the International Bill of Human Rights, which sets out the fundamental human rights possessed by all the people of the world, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, which contains requirements concerning fundamental rights in the workplace (freedom of association, right to collective bargaining, prohibition of forced labor, effective abolition of child labor, and prohibition of discrimination in recruitment and occupation). Moreover, we have formulated this policy based on the UN Guiding Principles on Business and Human Rights.

We help ensure that respect for human rights is actively practiced in all business activities, and that such activities do not infringe on the human rights of other people. If such activities nevertheless result in a violation of the human rights of others, efforts shall be made to minimize the negative impact.

We carry out human rights due diligence in order to minimize any negative impact caused by human rights violations occurring as a result of the Group's business activities. We maintain a framework for human rights due diligence and make improvements to the framework on an ongoing basis or if problems arise in order to improve its efficacy.

Furthermore, in the event that the activities of a business partner or any other individual or organization affiliated with the Mitsubishi Estate Group directly have a negative impact on the human rights of others, even if we were not directly involved in fostering such a negative impact, we shall endeavor to make improvements together with stakeholders to ensure respect for human rights and eliminate all violations.

[Mitsubishi Estate Group Human Rights Policy \(PDF 36KB\)](#)





Mitsubishi Estate Group UK Modern Slavery Act Statement

Mitsubishi Estate has issued the statement to comply with Article 54 of the UK Modern Slavery Act 2015. The aim is to identify slavery and human trafficking risks in the Mitsubishi Estate Group and its supply chain, in addition to outlining the Group's initiatives to prevent and mitigate these risks.

FY2023 (PDF 157KB)

[PDF](#)

FY2022 (PDF 137KB)

[PDF](#)

FY2021 (PDF 82KB)

[PDF](#)

FY2020 (PDF 94KB)

[PDF](#)

FY2019 (PDF 197KB)

[PDF](#)

FY2018 (PDF 366KB)

[PDF](#)

FY2017 (PDF 1,980KB)

[PDF](#)

FY2016 (PDF 715KB)

[PDF](#)

Promotion System

The Human Resources Compliance & Diversity Promotion Office in the Human Resources Department of Mitsubishi Estate Co., Ltd. implements activities to promote and ensure respect for human rights in collaboration with relevant departments of Group companies.

Mitsubishi Estate holds an annual meeting of its Human Rights Education & Diversity Promotion Committee (chaired by the director in charge of human resources) to review the status of its human rights and diversity promotion initiatives, exchange views on ways to improve programs, review that fiscal year's activity plan and share knowledge on recent human rights conditions and promotion of diversity.

The Mitsubishi Estate Group has joined the Tokyo Industrial Federation for Human Rights, the Corporate Federation for Dowa and Human Rights Issues, Osaka, and the Mitsubishi Human Rights Enlightenment Council. In addition to participating in training on social integration and other human rights issues, the Group is committed to addressing human rights issues, and participates in activities such as information gathering to expand this training to Group companies.



Initiatives for Human Rights Due Diligence

Mitsubishi Estate has established the Human Rights Education & Diversity Promotion Committee and is working to ensure human rights are respected across the Group. The company also conducts human rights due diligence by looking at Group-wide issues and analyzing them by dividing the business into three areas: real estate development business, international business, and hotel business. In 2017, Mitsubishi Estate hired expert consultants and lawyers to conduct document-based research to assess human rights risk and identified the following as priority human rights issues.

- (1) Forced labor and child labor
- (2) Working conditions and working environments for employees
- (3) Safety of users
- (4) Discrimination against users
- (5) Impact on indigenous peoples and local communities
- (6) Breach of personal information
- (7) Working conditions and working environments for the workers of suppliers

Mitsubishi Estate Group Initiatives

The Mitsubishi Estate Group is working to prevent damage to health caused by excessive work, promote work-life balance, and prevent workplace harassment.

Occupational Health and Safety / Health
Management



Promoting Diversity



Employment and Labor Relations





Initiatives in Real Estate Development Business

Launching and Holding the Construction and Real Estate Human Rights Due Diligence Promotion Council*

Acting as the organizer, Mitsubishi Estate launched the Construction and Real Estate Human Rights Due Diligence Study Group in September 2018 with the participation of eight real estate and construction companies. The United Nations Guiding Principles on Human Rights call on companies to avoid causing and exacerbating direct negative impacts on human rights as well as to endeavor to avoid and mitigate any adverse impacts on human rights with which they are indirectly involved in all facets of their business, including in their value chains. In light of this call, Mitsubishi Estate established the study group in collaboration with other companies in the real estate industry and with construction companies, with the aim of developing mechanisms to ensure human rights due diligence that also encompasses the supply chain. The study group identifies impacts on human rights arising from business activities and investigates and researches methods for addressing such impacts in order to fulfill the responsibilities called for by the United Nations Guiding Principles on Human Rights. Specifically, these responsibilities are to avoid infringing on the human rights of others and to devise measures to prevent, mitigate, and correct human rights violations with which study group participant companies are involved.

* Name changed from Human Rights Due Diligence Study Group to Human Rights Due Diligence Promotion Council in April 2023

Respecting the Human Rights of Foreign Technical Interns

The Group conducts interviews with foreign technical interns and requests its suppliers to instruct and make known to their associates, where it is assumed that many technical interns work, matters in the activities of technical interns that often go unnoticed, such as issues related to pay and daily life. More specifically, the Group has included these requirements in quotation specifications distributed from April 2020 onwards to keep construction companies informed.

Using Sustainably-Sourced Timber for Concrete Formwork Panels

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

From the perspectives of human rights and environmental protection, the Mitsubishi Estate Group uses timber that complies with the Sustainable Sourcing Code^{*2} (certified lumber or Japan-grown timber) or equivalent as the timber in its concrete formwork panels. The Group aims to achieve a usage rate of 100% by 2030. Mitsubishi Estate has requested construction companies to comply by including the requirements in quotation specifications distributed from April 2020 onward.

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

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



Initiatives in International Business

When considering business activities in Asia, where there are many cases of human rights violations in general, the Group will conduct corporate human rights due diligence using checklists to confirm whether there were any issues such as forced evictions in the area. The result will be used in decision-making when participating in business activities. More specifically, based on the concept of Free, Prior and Informed Consent (FPIC), the Group checks on such matters as whether there are opportunities for free discussion in a safe place, whether dialogue is one-sided, whether there is any threatening language or conduct or any forced or violent exclusion, and whether relocation to an alternative location with an appropriate standard of living is guaranteed. In addition, the Group gives special attention to women, children, the elderly, indigenous people, migrants, ethnic and tribal minorities, and other socially-vulnerable individuals and groups as they are particularly susceptible to human rights violations.

Initiatives in Hotel Business

Royal Park Hotels and Resorts, the company which operates 13 hotels in Japan, introduced certified wine and Fairtrade coffee in fiscal 2019 in order to implement initiatives for the sustainable development goals (SDGs).

Fair trade is an approach to trade that aims to improve the lives of producers and workers in developing countries that are in a weak position by consistently purchasing raw materials and products from developing countries at a fair price. As a hotel chain, Royal Park Hotels and Resorts endorses this approach and has introduced Fairtrade^{*1} and Fair For Life^{*2} certified wines at its full-service hotels and premium limited-service The Series hotels, and Fairtrade coffee at its full-service hotels.

The company has also provided information on Fairtrade products to restaurants occupying its hotels as tenants.

*1 Fairtrade certification

A system that certifies product raw materials comply with the economic, social, and environmental standards stipulated by Fairtrade International, including guarantee of minimum prices, safe working environment, and preservation of soil, water resources, and biodiversity, in their production, export and import, processing, and manufacturing, and that the raw materials and products of developing countries are traded under fair terms and conditions.



*2 Fair For Life certification

A certification system for fair trade and responsible supply chains by ECOCERT (established in 1991 in France), a world-leading certification organization with 23 branches around the world which provides a variety of organic certifications for agricultural and other products in over 80 countries.





Ensuring Traceability in Newly-Built Condominiums for Sale

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

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

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

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

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

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

*3 According to research by Mitsubishi Estate Residence

See the following press releases for more details.

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



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





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.

Establishment of Help Line on Human Rights

The Mitsubishi Estate Group has set up a helpline as a way for its employees to report any compliance issues including human rights violations, breaches of Code of Conduct and Guidelines for Conduct. It is available to Group full-time temporary and part-time employees. Investigation and fact confirmation are carried out concerning each report received and response measures are taken as necessary to improve the workplace environment. The Company's Legal & Compliance Department receives the reports through an external contractor and works with the Group companies that are subject of the reports, while protecting the privacy of the callers and whistleblowers, guaranteeing confidentiality and ensuring they receive no unfavorable treatment in the workplace. A dedicated compliance helpline has also been set up for external users such as suppliers and other business partners.



In-house Educational Activities

Ongoing Human Rights Programs

The Mitsubishi Estate Group provides training on human rights as part of its training for new employees on an ongoing, Group-wide basis. New employees learn about the Group's approach and initiatives on human rights as well as its Human Rights Policy, deepening their understanding of human rights.

Mitsubishi Estate carries out management career training on the prevention of workplace harassment including bullying and harassment and the reporting procedures for such incidents. Human rights lectures are also given every year to executives such as the company's president, directors and department managers, as well as Group company presidents.

Moreover, the Group provides training to instill the Mitsubishi Estate Group Rules on Prevention of Harassment. Mitsubishi Estate and some Group companies also carry out training on themes such as social integration. These training sessions all seek to cultivate a greater sense of human rights by raising participants' awareness of discrimination.

Calling for Human Rights Education Slogans

The Mitsubishi Estate Group solicits suggestions for human rights education slogans every year. The winning entry will be published in *mec's*, the Group's communication magazine, providing an opportunity for readers to reflect on human rights.

Regular Dialogue with External Stakeholders

Mitsubishi Estate Co., Ltd. engages in regular exchanges of opinions and dialogue with stakeholders, including NGOs and experts, in order to appropriately address a variety of issues, particularly human rights and environmental problems in its own operations and supply chain. The input obtained through these dialogues is used to improve and upgrade initiatives.



Basic Policy and Approach

In order to help realize a sustainable and truly meaningful society through its business activities, the Mitsubishi Estate Group believes it is important to promote efforts across the supply chain. As such, the Group established the Mitsubishi Estate Group Supplier Code of Conduct based on the Code of Conduct and Guidelines for Conduct. It sets out obligations that suppliers are required or expected to fulfil, which include compliance with laws and regulations, respecting human rights, local communities, indigenous peoples' rights, and cultural heritage, occupational health and safety, establishment of corporate ethics, environmental conservation and reduction of environmental impact, ensuring information security and establishing a risk management system.

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

Establishment of Mitsubishi Estate Group Supplier Code of Conduct

The Mitsubishi Estate Group believes that, in order for it to contribute to the creation of a truly meaningful society through its business activities, it is crucial that it ensure responsible procurement not only for itself but also in cooperation with business partners across the entire supply chain. Based on this idea, the Group revised its CSR Procurement Guidelines, which were created in April 2016, and established the Mitsubishi Estate Group Supplier Code of Conduct in April 2022.

[Mitsubishi Estate Group Supplier Code of Conduct \(PDF 136KB\)](#)





Mitsubishi Estate Group Order Action Guidelines

In accordance with the Mitsubishi Estate Group's Mission and Code of Conduct, Mitsubishi Estate has established the Order Action Guidelines, which all executive officers and employees placing orders with business partners must follow, to ensure that orders and contracts are administered with transparency and impartiality. The Guidelines are intended to ensure objectivity and economic rationality, but they also include rules on environmental conservation, information management and avoidance of any involvement with organized criminal elements. These Order Action Guidelines are shared by the entire Group, and order and contract processes are established and administered to suit the businesses of individual companies based on them.

Promotion System

Mitsubishi Estate's Sustainability Management and Promotion Department, which is in charge of sustainability overall, and the Company's Human Resources Department, which is in charge of human rights and diversity, take the lead in supply chain management. Important matters are deliberated at the Sustainability Committee and the Sustainability Subcommittee, and they are reported to the Board of Directors. Board of Directors has oversight of implementation of the supplier ESG program. Outstanding Group initiatives are reported and shared at the committee and subcommittee. Mitsubishi Estate's Sustainability Management and Promotion Department also takes charge of notifying and coordinating efforts relating to the Mitsubishi Estate Group Supplier Code of Conduct.

Mitsubishi Estate engages in appropriate ordering and contracting. This includes the separation of the business organization and the ordering organization when placing orders with construction companies and the use of a self-check sheet for a self-inspection of compliance status, the results of which are reviewed objectively by the Company's Legal & Compliance Department. When placing particularly large construction orders, the Orders Surveillance Committee chaired by the Mitsubishi Estate President & Chief Executive Officer meets to deliberate from the perspective of compliance.

See the following for the system related to human rights.

[Human Rights Initiatives](#)





Primary Initiatives

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

In order to ensure the dissemination of its Supplier Code of Conduct and Green Procurement Guidelines both inside and outside of the Group, Mitsubishi Estate publishes these guidelines on its corporate website. The Company also requests its suppliers to guide and encourage their partner companies to cooperate by distributing the Supplier Code of Conduct together with quotation guidelines.

The Mitsubishi Estate Group Green Procurement Guidelines



Conducting Self-assessment Questionnaire(SAQ) on suppliers with high sustainability risk

In order to promote the improvement of sustainability and ESG-related initiatives throughout the entire supply chain, we are checking the status of suppliers' compliance with the Supplier Code of Conduct through SAQ. SAQ is conducted targeting "construction companies" and "cleaning companies." They are our significant suppliers considering the following aspects and risks.

- Environmental, Social, and Governance aspects^{*1}
- Country-specific risk^{*2} and Sector specific risk
- Business relevance (high-volume suppliers, and/or critical component suppliers to our businesses)

*1 Criteria for defining high ESG risks

1. Suppliers where migrant workers work as they may be vulnerable to human rights violations
2. Suppliers with high environmental impact
3. Suppliers having multiple consignment structure which may lead to governance risk

*2 We conduct SAQ on our business operations in Japan as most of our business is operated, and also in south-east Asia as considering country specific risk and human rights risks tend to be higher than other regions.

In addition to our tier-1 suppliers, we will also conduct SAQ on our tier-2 and subsequent suppliers. Through in-depth risk assessment of the supply chain, we will identify potential risks and request and require suppliers to make improvements based on the result of SAQ.

Our Supplier Code of Conduct refers to major international standards such as the International Finance Corporation (IFC) Environmental and Social Performance Standards, the Responsible Business Alliance Code of Conduct, and the Building Responsibly Principles. Our SAQ (supplier assessment) is carried out in order to check suppliers' compliance with the Supplier Code of Conduct.



In this context, we see working conditions and treatment of migrant workers, working hours of all workers, and establishment of grievance mechanisms as anticipated high-risk items.

We will also strengthen our supply chain management by promoting sustainability and ESG-related initiatives through on-site audit and other means in conjunction with SAQ.

Initiatives in FY2022

We conducted SAQ with a total of 60 suppliers (5 projects; 43 construction companies, and 17 cleaning companies), including secondary and subsequent suppliers. In order to gain an accurate understanding of the status of sustainability promotion at suppliers, interviews with workers at supplier companies were conducted after the SAQ was completed at construction companies.

There were no violations, but we found that "establishment of helplines that can also be used by suppliers" and "establishment of helplines with multilingual support" were issues to be improved.

Based on an understanding of the actual status of suppliers, we will consider measures to address issues and strengthen supply chain management.

Initiatives in FY2023

We conducted SAQ with a total of 26 suppliers (5 projects; 22 construction companies and 4 cleaning companies), including secondary and subsequent suppliers. In order to gain an accurate understanding of the status of sustainability promotion at suppliers, interviews with workers at supplier companies were conducted after the SAQ was completed at construction companies, and cleaning companies.

There were no violations, but we found that some suppliers have issues with "the status of taking holidays" and "lack of understanding about commission payment for foreign technical interns." We will consider solutions and improve understanding of those issues as industry-wide challenges.

In August 2023, we introduced "JP-MIRAI Assist," a helpline service for foreign nationals, to address the issues of "establishment of helplines that can be used by clients" and "establishment of helplines with multilingual support," which were issues found in fiscal 2022. As of March 2024, JP-MIRAI Assist has been introduced in about 20 projects at construction sites including Mitsubishi Estate, Mitsubishi Estate Residence, and Mitsubishi Estate Home. We will continue to expand the number of projects and the scope of introduction at Group companies.



Evaluations of Business Partners in Each Business

Business	Social and environmental assessment
Building Business	Mitsubishi Estate has adopted an evaluation system for subcontractors that assesses from multiple perspectives the quality, safety and hygiene, and environmental initiatives of construction companies engaged in subcontracted work in its Building Business. The subcontractors are given feedback on the results of the assessment, and asked to make improvements if necessary.
Condominium Business	Mitsubishi Estate Residence utilizes a Contractor Interview Sheet when selecting new subcontractors with which to partner, and confirms the subcontractors' conditions, including the headquarter organization's on-site support system. In addition, in order to enhance the quality of construction and ensure safety and hygiene on-site, the company asks the subcontractors to submit work schedules and construction plans to ensure in advance and places orders with an appropriate construction schedule. The company also strives to make improvements by ensuring good communication with subcontractors, such as holding meetings before the start of work and regular meetings during construction at each site and evaluating the contractor when the work is completed.
Custom-Built Housing Business	Mitsubishi Estate Home has established guidelines for its initiatives with business partners that take into account the unique characteristics of its business. The basic order unit price that will serve as the benchmark is set in agreement with the supplier as we strive to ensure equitability for the supplier. Business partners in the architecture, facility and electronics industries are evaluated comprehensively and fairly on the basis of a questionnaire given to the employees who are their point of contact, and also taking into account the number of customer referrals, workmanship and credit conditions. The number of buildings with which they will be entrusted is decided based on this evaluation along with the fixed unit price. In addition, clearly separating the manufacturer's product costs and the distribution costs until the product reaches the final delivery destination raises the transparency of product costs and distribution costs, enabling a fair evaluation of the material supplier and the manufacturer. When deciding on construction amounts, the costs of construction and operating expenses are accounted for separately, and efforts are made to prevent simple price competition.



Improving Quality and Safety during Condominium Remodeling

The employees of Mitsubishi Jisho Community work together with partner companies which deal directly with clients to improve quality, safety and customer service etiquette when it comes to repair work which must be performed while clients are in residence.

The company constantly aims to raise the level of construction quality by, for example, using the company's exclusive skills testing and registration system for technicians (private license system) and sharing aftercare case studies with partner companies once repair work is complete. They also put the safety of clients first during construction and work with partner companies to create work sites that are safe, secure and pleasant for all involved. In addition to all this, since 2011 the company has conducted a customer service questionnaire every year after the completion of a large-scale repair project, the results of which are used to provide feedback to partner companies and help improve customer service.

Every year from July to August, the company works with business partners to organize the Work Quality & Safety Promotion Rally, where it shares its goals of increasing customer satisfaction levels and carrying out safe and high-quality construction projects. The company also takes the opportunity to publicly acknowledge outstanding field representatives and people who performed excellently in the technical skills examination.

Organizing Registered Contractor Workshops in the Custom-Built Housing Business

Since 1998, Mitsubishi Estate Home has organized registered contractor workshops for all subcontractors including artisans (workers with specialized skills related to building) and managers from partner companies. The workshops allow the company to guide and support participants as the master contractor, helping them learn about health and safety and how to improve safety, quality and appropriate behavior at construction sites.



Promotion of Dialogue with Employees and Labor Union

Mitsubishi Estate supports the right to group negotiation and emphasizes problem-solving together with labor unions. The company forms labor agreements with the Mitsubishi Estate Labor Union and discusses issues that need to be resolved and the right course of development for the company to take on the basis of trust, in order to build positive relationships.

Moreover, in terms of labor hours, the company and labor union have signed the statutory agreement on overtime work (known as "36 Agreement") and work together to set internal management standards based on labor-management consultations to avoid excessive working hours for employees.

Mitsubishi Estate also holds a Labor Council as a forum for regular management dialogue on employee health and safety with the union whereby they report and discuss union members' requests and needs concerning these issues. Through these activities, Mitsubishi Estate strives to improve its workplaces and systems so that the needs of all union members can be reflected.

Equitable Salary System

At Mitsubishi Estate, regular wage raises were discontinued in 2000, and a salary increase system based on skill development was adopted. A performance-based bonus system based on MBO and an objective performance evaluation and promotion system have also been adopted to raise employees' motivation to improve their work and skills. There are no salary discrepancies based on age, gender, or nationality for employees with the same job classification and grade.



Payment of Fair Wages

The Mitsubishi Estate Group ensures payment of the minimum wage or above based on the laws in each of the countries where it conducts business.

See the following for average annual salary of employees at Mitsubishi Estate Co., Ltd.

[ESG Data > Social Data](#)



Retirement Allowance Program

Mitsubishi Estate has established a lump sum retirement grant program as well as defined benefit and defined contribution corporate pension programs.



Occupational Health and Safety

Policy on Occupational Health and Safety

Beyond complying with the Labor Standards Act and other labor-related laws and regulations, the Mitsubishi Estate Group proactively takes various steps to maintain and promote the health of all its employees and ensure their safety.

Mitsubishi Estate has established the "Health Management Declaration" based on the belief that employees being healthy, both physically and mentally, and maximum performance are the source of corporate vitality. Under the Health Management Plan 2030, multiple KPIs* have been set and performance is monitored annually to ensure continuous improvement.

In addition, with regard to the working environment, including occupational health and safety, we consult with the labor union and implement improvement measures and initiatives to create a comfortable environment for our employees.

Mitsubishi Estate Home Co., Ltd. conducts risk assessment regarding occupational health and safety for new and existing projects during formulation of its annual health and safety management plan and during hazard prediction activities on construction sites. The company implements safety measures on construction sites after identifying risks arising from the work and analyzing the possibility of occurrence and degree of impact.

The Mitsubishi Estate Group's Supplier Code of Conduct also includes items related to "Occupational Health and Safety" and requires compliance with the following items: "Compliance with laws and regulations related to occupational health and safety," "Occupational safety," "Occupational injury and illnesses," "Sanitation, food, and housing," and "Health and safety communication." We believe it is important for our suppliers to have a workplace that guarantees occupational health and safety, and we communicate with suppliers through self-assessment questionnaire and audit.

* Percentage of high-risk group for metabolic syndrome (aged 40 or older*): 14.8% by FY2030

Percentage of individuals whose results of their regular health checkup for all of the categories affecting the determination on lifestyle diseases were within normal levels (aged 40 or older*): 32.8% FY2030

Cancer screening rate: 90% (every year from FY2021 - FY2030)

Maintain percentage of high stress group: 10% or lower (national average: 10%) (every year from FY2021 - FY2030)



Management Structure for Occupational Health and Safety

Mitsubishi Estate holds a monthly Health Committee meeting chaired by the head of the Human Resources Department and industrial physicians, persons in charge of health and safety from the Human Resources Department, and a representative of the labor union attend. In this meeting, the number of occupational accidents, overtime work, and other items of high risk to the Company are reported.

Primary Initiatives

Participating in External Groups

To respond appropriately to the demands of society and employees, the Group proactively participates in workshops, conferences, and initiatives on labor standards and will continue to improve its efforts by incorporating outside knowledge.

Response to Industrial Accidents

In cases of accidents or incidents leading to injuries or fatalities, we identify the cause(s) through such means as interviews and surveys of the employees involved and strive to prevent recurrence by considering and promoting improvement measures.

See ESG data for number of industrial accidents.

[ESG Data > Social Data](#)





Preventing Excessive Work

The Mitsubishi Estate Group strives to comply with local laws regarding working hours and overtime in each country where it conducts business. The Group has also taken various initiatives to reduce excessive working hours.

Mitsubishi Estate has introduced a work management system that is linked with computer log-on/off times so that supervisors can follow employees' work conditions. Supervisors also meet one-on-one with their subordinates to discuss workload and task difficulty so they can understand conditions that may impact their health. Any employee, including those in managerial positions, who works more than 80 hours of overtime in a month is encouraged to have a checkup with an occupational physician. This is a part of Mitsubishi Estate's commitment to helping employees manage their health.

In order to promote work-life balance, the company adopted a flex-time schedule for all employees in fiscal 2016 and implemented initiatives such as the "positive off movement" to help employees make plans to take days off and encourage them to take paid leave. In fiscal 2017, the company introduced an hourly paid leave program and a tele-working program. The company is also making efforts to create a healthy and innovative working environment led by the B×S Promotion Committee, an organization under the direct supervision of the President established in the same year.

Managing Employee Health through Medical Examinations

Mitsubishi Estate carries out a scheduled medical examination once a year for all employees to help them maintain and improve their health. In 2016, the company added electrocardiographs and stomach ultrasounds (for persons 35 and older) to further improve detection of lifestyle diseases. We also take the time to provide follow-up examinations, urgent examinations and meetings with occupational physicians depending on the results of the medical examinations. To improve the screening rate, individual notices with information about medical examinations are sent to people who miss their examinations.

Training and Education on Health and Safety

At Mitsubishi Estate, all new managers are required to take mental health training. This training aims to deepen understanding of mental health and improve occupational health and safety within the organization by providing knowledge required for managers on managing members with regard to these issues, such as ((1) prevention, (2) how to respond to employees with mental health issues when they occur, (3) how to engage with employees returning to the workplace who had mental health issues, (4) workplace improvement measures, etc.).



Conducting Stress Check Tests

Mitsubishi Estate conducts stress checks once a year for all employees. The Human Resources Department analyzes the results for the entire organization and each department, and the Human Resources Department provides feedback to the managers of each department. And they have discussions regarding health issues that each department has and occupational health and safety.

Health Management

Policy on Health Management

Mitsubishi Estate advocates health management, in which it considers employee health from a management perspective and works on it strategically. Based on this perspective, Mitsubishi Estate established the Health Management Declaration in October 2016 to systematize initiatives and plans the company and the health insurance union has carried out thus far, articulate the top management's commitment, and ensure further improvements in maintaining and improving employee health.

Mitsubishi Estate Health Management Declaration

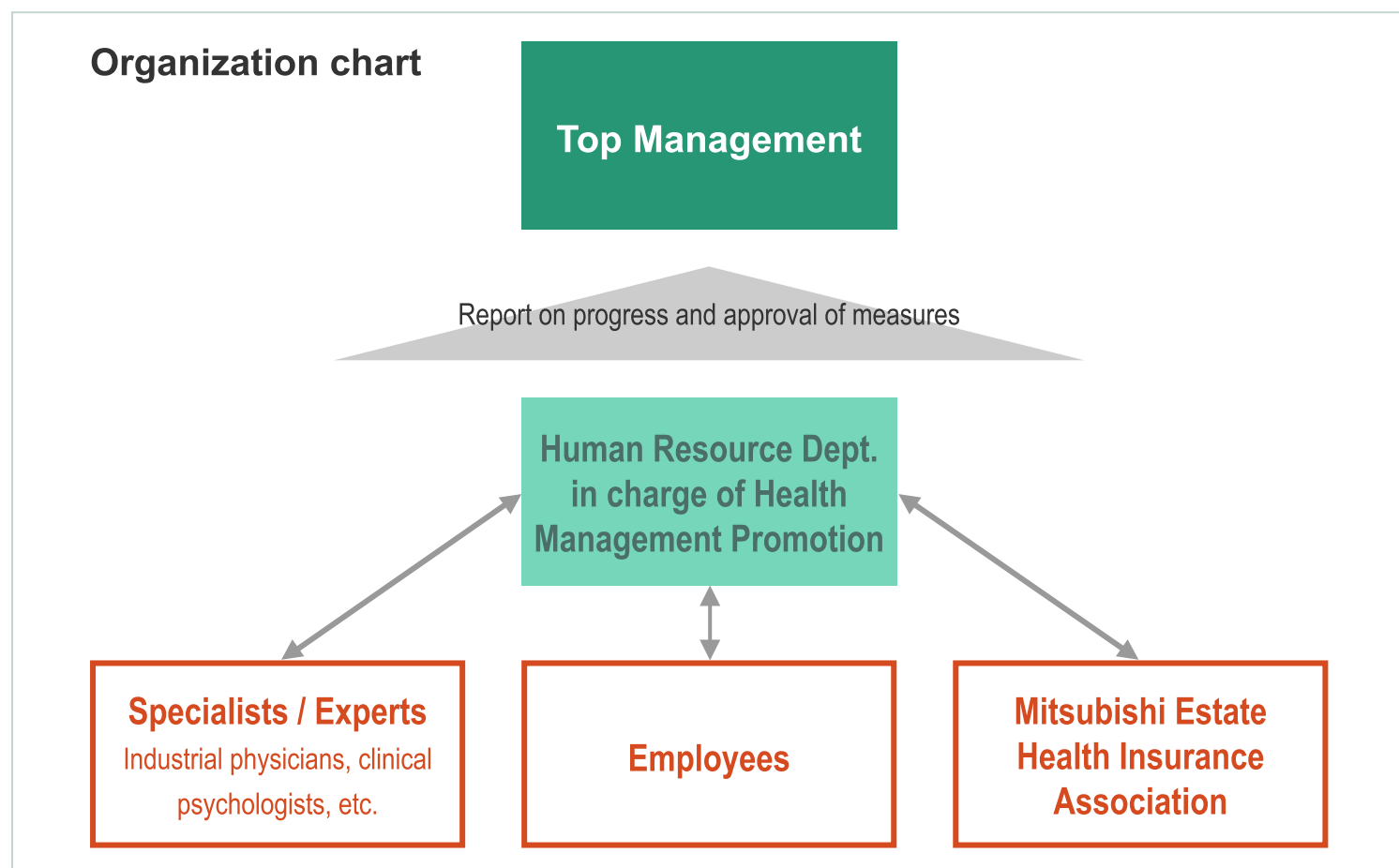
Mitsubishi Estate believes that the source of corporate vitality is maximizing employee performance through both mental and physical health.

With the aim of creating a vibrant workplace advocated in the Mitsubishi Estate Group Code of Conduct, the company will further develop the activities to maintain and improve employee health that it has worked on thus far and continue to promote health as we work together with the health insurance union, the Mitsubishi Estate Labor Union, employees and their families.

In addition, based on the Mission of the Mitsubishi Estate Group to contribute to society through urban development, we will continue contributing to the society at large by supporting health promotion for the people who live, work and relax in the communities.

Promotion Structure for Health Management

The director in charge of human resources has been appointed as the "Health Management Promotion Officer," and the company, employees, and health insurance association are working together to promote health management. In addition, the company has agreements on health and safety in the labor agreement, and strives to ensure the health and safety of employees through health checkups and safety-related education.



Health Management 2030

Complementing the ESG initiatives in the Long-Term Management Plan 2030, and after reanalyzing the findings of the fiscal 2020 health checkups, Mitsubishi Estate has formulated Health Management 2030, a set of health-related KPIs, and is working to achieve improvements in employees' health.

See the following for results of the KPIs.

ESG Data > S: Social data > (1) KPI > Health Management





Health Management 2030 KPIs

	KPI	2025 targets	2030 targets
Lifestyle diseases	Percentage of high-risk group for metabolic syndrome (aged 40 or older*) *Percentage of individuals whose results of their regular health checkup for any of the categories affecting the determination of lifestyle diseases reached or exceeded the level at which medical attention is recommended	25.6%	14.8% (equivalent to national average; approximately 60% of FY2019 percentage)
	Percentage of healthy group (aged 40 or older*) *Percentage of individuals whose results of their regular health checkup for all of the categories affecting the determination on lifestyle diseases were within normal levels	20.85%	32.8% (equivalent to national average; approximately 370% of FY2019 percentage)
Malignant growths (cancer)	Cancer screening rate	Cancer screening rate: 90% (every year from FY2021 - FY2030)	
Mental health	High stress group	Maintain percentage of high stress group at 10% or lower (national average: 10%) (every year from FY2021 – FY2030)	

Primary Initiatives

Initiatives on Employee Health Promotion

Beginning in fiscal 2017 a subsidy program was set up for health-promoting programs (sports activities, checkups not covered by health insurance, etc.) for employees with the "Cafeteria Plan."^{*1}

It also strives to raise employees' awareness of health by holding health-related in-house exercise events and seminars, including a physical improvement competition.^{*2}

*1 This program enables employees to use points allotted to them to choose programs from a menu set by the company (sports activities, checkups not covered by health insurance, etc.).

*2 Five-member teams representing each department compete for rankings, with changes in fat and muscle mass and number of steps taken over the last two months converted into points.



Initiatives on Health Issues (Lifestyle Diseases, Cancer, and Mental Health)

Lifestyle Diseases

- Mitsubishi Estate analyzes health screening results and in collaboration with the health insurance union provides measures for employees at risk of lifestyle diseases (programs designed to prevent more severe disease^{*1}) and encourages individual participation in specific health guidance to improve overall participation.

Cancer

- In addition to making mandatory the screening for the five cancers recommended for screening in Ministry of Health, Labour and Welfare guidelines according to employees' age, Mitsubishi Estate has established a system to subsidize the cost of screening for other cancers with the aim of early detection and early treatment.

Mental Health

- In order to strengthen the consultation system from the perspective of improving mental health, Mitsubishi Estate has included psychiatrists as occupational physicians.
- Since fiscal 2016, Mitsubishi Estate has expanded systems for absence and leave due to injury and illness and established a return to work support program for employees with mental illness that have required a long-term absence or leave.
- In addition to providing mental health training for newly hired employees and newly appointed managers by advising physicians, Mitsubishi Estate implements regular education on mental health for managers, including e-learning.

*1 Programs designed to prevent more severe disease: lifestyle improvement and guidance programs provided by medical institutions

Please see the following for the Mitsubishi Estate Health Management Strategy Map

Mitsubishi Estate Health Management Strategy Map (PDF 75KB)





Winning Recognition under the Certified Health & Productivity Management Outstanding Organizations Recognition Program

Mitsubishi Estate has been recognized as an outstanding organization in health management under the Certified Health & Productivity Management Organization Recognition Program run by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi.

See the following for the latest information on the certification.

[External Evaluations of ESG Performance](#)



Addressing Infectious Diseases and Other Global Health Issues

The Mitsubishi Estate Group regards health problems due to infectious diseases such as the recent COVID-19 pandemic as well as HIV/AIDS, tuberculosis, and malaria as a global issue. In order to protect employees from these kind of health problems, the Group instructs expatriate employees and their accompanying family members to receive the vaccinations recommended by government quarantine stations for each destination prior to travel. In the location of an overseas posting, we also provide medical consultation services, which include hospital arrangements, and ensure to make clean, safe, serviced apartments and condominiums available. Through these activities, we provide support for employees and their families to live overseas in good health and safety.



Social Enhancing Customer Satisfaction

Basic Policy and Approach

The Mitsubishi Estate Group has made clear in the Group Code of Conduct that it strives to earn the trust of its clients and works to create safe, reliable and improved products and services through communication with its customers.

Mitsubishi Estate Group Declaration on Customer Respect

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



Mitsubishi Estate Group Declaration on Customer Respect (PDF 61KB)

PDF

Information on Activities Related to the Declaration (Follow-up Activities) (PDF 146KB) (Japanese only)

PDF

Promotion System

When the Group receives comments or complaints from clients, the customer service personnel of each Group company receive them and, routinely, field staff are sent to the site to handle issues in person. The opinions received from clients are attended to sincerely, fairly, and impartially. Mitsubishi Estate collects matters that should be handled by the whole Group, reports them to management, and makes the necessary changes in its business activities. For items where correction is needed, the relevant departments all work together to handle the matter promptly.



Primary Initiatives

Implementing Tenant Satisfaction Surveys

Mitsubishi Estate implements customer satisfaction surveys for with the tenants of its office buildings. The surveys mainly check the level of satisfaction with the management and operating systems of each building, and the company makes improvements as needed based on the survey results.

See the following for the survey implementation rate.

[ESG Data > S: Social data > \(2\) Other > 2. Diversity > Employee satisfaction and customer satisfaction](#)



Responsible Advertising Activities

Mitsubishi Estate Residence Co., Ltd. has created a "Real Estate Advertisement Creation Manual" that we revise as necessary. We interpret the regulations and conduct our business in conformance with our obligations established by the real estate advertising rules set forth in the "Fair Competition Codes Concerning Indication of Real Estate" and "Fair Competition Codes Concerning Limitations on Premiums Provided by Real Estate Businesses." In view of specific cases experienced in the course of conducting our business, we have clarified our policies with regard to various scenarios and have compiled them in an easy-to-understand, practical manual.

It can be used as a guide for sales activities and designing advertisements, of course, but we also provide it to people associated with the real estate business to be applied as a reference manual for conducting activities in an autonomously ethical manner. We strive to ensure we never betray our customers' trust by encouraging false expectations or by failing to inform customers of things that would be to their disadvantage.

"Five Eyes" to Create Quality Residences

Mitsubishi Estate Residence proposes the peace of mind and quality required in condominiums with five areas of focus using "Five Eyes," an original system for all properties it offers under its The Parkhouse brand of condominiums for sale (some features available only in the Tokyo metropolitan area).

Five Eyes



CHECK EYE'S



ECO EYE'S



CUSTOM EYE'S



LIFE EYE'S



COMMUNITY EYE'S

- Check Eyes: Mitsubishi Estate Residence's original quality management and performance labelling system
- Eco Eyes: cutting-edge environmental specifications
- Custom Eyes: consultancy to help create a comfortable home including interior design
- Life Eyes: a security system jointly developed with Mitsubishi Jisho Community and the security company Secom Co., Ltd.
- Community Eyes: 24-hour, 365-day condominium management support for continued peace of mind after moving in

"Five Eyes" Creating Quality in our Residences



Introducing the NPS Scheme to Increase Client Loyalty in the Condominium Business

For our clients, the purchase of a condominium is a life-changing decision. Mitsubishi Estate Residence has introduced the Net Promoter System (NPS) to measure client loyalty not only before they make the purchase but also after they move in. Surveys are administered to clients at every phase – from the initial visit to contract signing to handing over, a year after moving in and two years after moving in – to gauge client endorsement levels. The reasons given are also noted and presented to the relevant departments as feedback to help improve products and services. While the comments received are occasionally harsh, the NPS scheme is still a valuable resource that helps the company boost client loyalty even higher.

See the following for evaluation results.

ESG Data > S: Social data > (2) Other > 2. Diversity > Employee satisfaction and customer satisfaction





Owner's Survey

Mitsubishi Estate Home carries out owner's surveys to improve customer satisfaction and archives the results in a database that it shares with the rest of the company. The company is focused on strengthening its customer service via its home consulting services, which is a core component of its residential program starting from the initial stage and extending long after purchase. The survey results show that these efforts are paying off. We will strive to further increase customer satisfaction going forward through strengthening service capabilities and product design from the customer's perspective.

Improving Client Satisfaction with Architectural Design Management Operations

Mitsubishi Jisho Design strives to improve client satisfaction as part of its ISO 9001 quality management system. The company has compiled a list of "Don'ts" for design management operations which is shared on the company's intranet. Moreover, when a project is complete, the whole project is analyzed and assessed using the level of compliance with the client's requests as the standard.

Well-being Initiatives in Urban Development

Chiyoda Ichibancho Project (tentative name), an office development project underway in Chiyoda-ku, Tokyo, is the first tenant building in Japan to receive precertification for WELL Core—which can be acquired by buildings occupied by tenants—under WELL v2, the latest version of the WELL Building Standard (WELL Certification), an international ratings system for buildings that emphasizes the health and well-being of people.

This certification is based on the following criteria: Air, Water, Nutrition/Food, Light, Physical Activity, Thermal Comfort, Acoustical Comfort, Materials, Mind, and Community. In this project, the property design and construction incorporated the required elements based on these items. In particular, "promotion of urban development in line with the development concept," "introduction of a panel heating and cooling system," "the facilitation of fitness for workers," and "provision of operable windows that offer ample natural light" were highly evaluated. The project also incorporates "Accessibility" and "Biophilic Design," elements related to wellbeing that are required in addition to certification.



Social Social Contribution Activities / Support for Communities

Basic Policy and Approach

The Mitsubishi Estate Group has set out to "contribute to creating a truly meaningful society through urban development" as stated in its Group mission. The Group has also established the Mitsubishi Estate Group Code of Conduct to articulate the actions needed to implement the carrying out of this mission. Further, it has implemented the Mitsubishi Estate Group Guidelines for Conduct which set out the specific standards of conduct in order to realize "who we aspire to be, how we aspire to be perceived, and what we should do in order to achieve these aspirations," as established in the Code of Conduct. The Group Guidelines stipulate the realization of sustainability, and we endeavor to ensure continued enhancement of corporate value, sustainable social development, and conservation of the global environment by creating long-term value through sound business practices.

In addition, the Group established its Guidelines on Social Contribution Activities in April 2008, revising the Social Contribution Activity Philosophy (created in 1994) from viewpoints including changing social issues and the necessity of implementing Group-wide initiatives. Group companies abide by these guidelines when conducting their activities as they engage in their respective businesses.

We also implement community investment, engage with NGOs, and participate in initiatives to better contribute to the society. Our focus areas – harmony with the local community, support for culture and the arts, environmental conservation, and social welfare – are set out in the Group Guidelines and linked to the Group's business strategy.

Mitsubishi Estate Group Guidelines on Social Contribution Activities

- 1. Solutions to social issues together with corporate growth:** As a good corporate citizen, we work to resolve social issues with the added benefit of achieving corporate growth through such activities.
- 2. Development of activities characteristic of the Mitsubishi Estate Group:** We carry out unique social contribution activities, both within and outside its business spheres, which are characteristic of the Group and utilize its management resources.
- 3. Ties with community:** We engage in transparent and fair activities in affiliation with various groups, based on equal footing, trust and dialogue.
- 4. Priority areas:** We prioritize harmony with the local community, support for culture and the arts, environmental conservation and social welfare.



Goals and Achievement Status

The Mitsubishi Estate Group has established “Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes” under its Long-Term Management Plan 2030 as a means to accelerate its efforts to resolve social issues through business activities and continue to be a company needed by the next generation. The Group is working to achieve the policies and targets it has set out in line with these four key themes, which are to (1) pursue tangible and intangible aspects of urban development that it can proudly pass on to the next generation, (2) maintain our commitment to reducing environmental impact, (3) consider people, empathize with people, protect people, and (4) create and circulate new value.

The Group will also promote initiatives with an eye on these key themes in its social contribution activities. We will engage in autonomous activities in the areas of harmony with local communities, support for culture and the arts, environmental conservation, and social welfare, the four priority areas under the Mitsubishi Estate Group Guidelines on Social Contribution Activities. In addition, we will work to enhance the value of the neighborhoods and create economic benefits through partnership and collaboration with diverse stakeholders, including NGOs, NPOs, and the public and private sectors, while continuing to contribute to solving social issues by joining and supporting a variety of organizations.

Programs to Support Employee Volunteer Activities

The Mitsubishi Estate Group is working to create an environment that makes it easy for people to volunteer, such as by establishing Volunteer Support Programs available to employees including Group companies.

Overview of Main Programs

Program	Overview
Days off for volunteering	Employees can use their accumulated days off (special PTO) for volunteering
Social learning	Employees can volunteer during working hours
Volunteer insurance*	The company provides insurance that compensates for accidents during volunteering (also for family members)
Activity fee subsidy*	The company partially subsidizes volunteer participation and travel expenses (also for family members)
Subsidy program for volunteer's travel expenses to disaster-affected areas*	The company partially subsidizes travel expenses for volunteering related to disasters covered under the Disaster Relief Act (also for family members)

* Program including Group company employees

See the following for the usage results of these programs.

[ESG Data > S: Social data > \(2\) Other > 2. Diversity > Number of employees using personnel programs](#)





Initiatives Related to the Health and Wellbeing of Visitors and Tenant Workers

Megourmake Project Aiming to Build Enriched Relationships Between Regional and Urban Communities through Food and Agriculture

Mitsubishi Estate is developing facilities to support businesses and industries related to food and agriculture at the Otemachi Gate Building (previously known as Uchikanda 1-chome Project) scheduled for completion in January 2026. Ahead of the opening of these facilities, in partnership with Loftwork Inc., SIGMAXYZ Inc., and 70seeds, Inc., Mitsubishi Estate has initiated the Megourmake Project to support the endeavors of the regional producers and processors for the food industry, agriculture, fisheries, and livestock industry of the future.

In collaboration with regions throughout Japan, including Miyazaki City in Miyazaki Prefecture, we will provide support for the players involved in food and agriculture to co-create and take on challenges by holding “table conferences” in regional areas so that local communities can learn from one another and create new inter-regional relationships.

The Megourmake Project will encourage interaction between the producers who nurture rural communities and the consumers who live in urban communities and contribute to the development of rich food culture and an enriched society by expanding hubs for food and agriculture co-creation and networks with local governments nationwide.

Megourmake Project (Japanese only)





Initiatives Related to the Health and Wellbeing of Visitors and Tenant Workers


EAT & LEAD – Providing Opportunities to Build "Standards of Value for Happiness" through Food


Mitsubishi Estate launched the Food Education Marunouchi Initiatives in 2008. The company has since developed numerous food-related programs working in partnership with producers, consumers, and restaurants with the aim of creating a physically and mentally healthier society. These initiatives include the inauguration of the Marunouchi Chef's Club^{*1} and Will Conscious Marunouchi^{*2}, as well as hosting more than 200 events.



Mitsubishi Estate has relaunched the project in 2021 under the name EAT & LEAD, with the desire to continue to lead and set the pace for the development of venues where each individual can achieve personal happiness and growth through healthy eating habits.

Under the EAT & LEAD project, Mitsubishi Estate will develop a variety of workshops and programs dealing with food based on the three actions of increasing receptivity to food, increasing awareness of food consumption, and raising understanding of the cycle of support and growth. The aim is to help each individual examine their own measure of happiness and create opportunities for them to enhance self-fulfillment while creating a richer future together. Based at MY Shokudo Hall & Kitchen, a hall with an attached kitchen nestled on the 3rd floor in TOKYO TORCH Tokiwabashi Tower located in front of the Nihombashi Exit of Tokyo Station, EAT & LEAD nurtures connections among food professionals, rural regions, and consumers while promoting programs designed to pinpoint changing values and address social issues yet to be explored.

*1 [Marunouchi Chef's Club](#) : Chaired by Yukio Hattori and mainly composed of chefs who own restaurants in the Marunouchi area, the Marunouchi Chef's Club was established in February 2009 with the aim of proposing and disseminating ideas about food.

*2 [Will Conscious Marunouchi](#) : A project aimed at supporting working-age women to learn together about the options for a more fulfilling future. In partnership with various companies, the goal is to create a model case for a society that enables women to work long term in good health through urban development while building upon the knowledge and opinions obtained from the Marunouchi Infirmary survey.

[EAT & LEAD website \(Japanese only\)](#)



The Marunouchi Infirmary for Working Women

Mitsubishi Estate is promoting the "Marunouchi Infirmary" as part of its "Will Conscious Marunouchi" project to help working women shape their future. The "Marunouchi Infirmary," born from the voices of women working in Marunouchi, is an activity to improve health literacy and provide health support to promote understanding of PMS, pregnancy and childbirth, menopause, and other issues that affect women in the workplace as well as in their own bodies and minds.



Through these activities, we are promoting well-being in urban development by working not only with our company but also with other companies that support our efforts to create a comfortable working environment and culture for women, so that working women can broaden their options in their changing life stages.



[Marunouchi Infirmary \(Japanese only\)](#)



New Business to Promote Wellbeing for Diverse People

WELL ROOM Co., Ltd., which originated from Mitsubishi Estate's in-house venture system, operates WELL ROOM, a healthcare service which assists in the lives of foreigners working at Japanese companies. The service is aimed at companies that want to provide support for their employees to maintain and manage their health, given the current lack of support related to health and medical care, including a low number of medical institutions with multilingual services. WELL ROOM services cater for multiple languages and cultures including referrals to medical institutions that provide health checkups and mental health and industrial physician consultation services to create an environment in which foreign nationals working in Japan can receive healthcare services with ease.

In July 2024, Mitsubishi Estate also launched YUARITO, an accommodation service with post-natal care. It provides post-natal mothers with 24-hour support by qualified midwives, nurses, and childcare workers in the guestrooms of the Royal Park Hotel (Chuo-ku, Tokyo). This provides mothers and families who are suffering from lack of sleep and anxiety about childcare with the time, space, and reliable information and services to enable them to relax and rest and establish a positive living environment after giving birth.

* Both WELL ROOM and YUARITO are initiatives that originated from the new business proposal program for employees.

[WELL ROOM website](#)



[YUARITO website \(Japanese only\)](#)





Building Communities

Area Management Led by the Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho

The Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho (OMY Council) is a consultative body made up of landowners in the Otemachi, Marunouchi and Yurakucho districts (also known collectively as "OMY area"). Mitsubishi Estate serves as the presiding company of the Council.

Since the establishment of its predecessor organization in July 1988, the Council has set up infrastructure for urban space as well as promoting safe and secure urban planning that is sustainable and resilient in the wake of disasters. The objective is to create communities by developing and utilizing urban spaces appropriately and effectively.

The NPO OMY Area Management Association (also known as "Ligare") was established in 2002, with the goal of raising the area's value not only through the creation of physical facilities and spaces, but also via social initiatives, including the provision of corporate networking events, generation of local vitality, and support for the operation of community buses. Ligare manages Urban Terrace, in which the street space on Marunouchi Naka-Dori Avenue opened for pedestrians, allowing them to enjoy various events on the streets. It has also extended the scope of its activities to include Destination Marketing/Management Organization (DMO) Tokyo Marunouchi, which aims to invite international conferences and other meetings, incentives, conferences and events (MICE) to the area.

In addition, the Association for Creating Sustainability in Urban Development of the Otemachi, Marunouchi and Yurakucho Districts (also known as the "Ecozzeria Association") works on business creation aimed at realizing a sustainable society. The association operates the 3×3 Lab Future, a hub for interaction in the community, that is a "third place," neither home nor office, and holds seminars and workshops on a variety of social issues such as the environment and energy, regional revitalization, women's empowerment, and biodiversity. 3×3 Lab Future generates cycles of innovation by creating interaction between diverse human resources cutting across industry and sector boundaries, including government and academic institutions as well as private-sector companies.



Urban Terrace





Marunouchi Naka-Dori Avenue becomes increasingly important as the center of the area's vitality (left: around 1967; right: around 2018)

Council for Area Development and Management of Otemachi, Marunouchi and Yurakucho



Ligare (Japanese only)



Ecozzeria Association





Initiatives to Connect with the Next Generation at the TOKYO TORCH District

Mitsubishi Estate has been implementing initiatives to help build the community at TOKYO TORCH, an urban center that it has developed at the Nihonbashi Exit of Tokyo Station. Together with Nakagawa Masashichi Shoten, a traditional craft shop based in Nara Prefecture, boasting 300 years of history, Mitsubishi Estate launched the Another Japan joint project in summer 2022. This shop sells regional specialties, using university students from all 47 prefectures of Japan divided into six groups acting as management, handling everything from purchasing to customer service and sales. The experience gained here will teach them about regional areas and management, in hopes of helping them choose their own hometowns as future places to work. This will in turn bring true revitalization to these communities with the aim of making it a place that creates a beneficial cycle for making Japan a better place.



18 Another Japan first term settler students

TOKYO TORCH project website (Japanese only)



Another Japan website (Japanese only)



"Experience Nature" Project

Since 2008, the Mitsubishi Estate Group has been implementing the "Experience Nature" Project with the NPO Egao Tsunagete (which literally means "connecting smiles" in Japanese), located in Hokuto City, Yamanashi Prefecture, with the goal of creating a society where urban and rural communities pool their resources and help to revitalize one another.

With this project, in addition to working with the local government to promote effective use of Yamanashi Prefecture-produced timber, employees help to cultivate and restore abandoned farmland to produce sake-grade rice using agricultural methods that do not use pesticides or chemical fertilizers.

Since 2010, the company has been working with local sake breweries and long-established confectionery stores to create new products by processing the sake-grade rice harvested through cooperative efforts into various forms, such as junmai-shu sake Marunouchi and confectionery made from sake lees. These activities and products symbolize Mitsubishi Estate's sustainability efforts and have been utilized in a variety of settings.





In fiscal 2017, to celebrate the 10th anniversary of the project, junmai-shochu Otemachi, a distilled rice liquor, was released. Of the harvested sake-grade rice, the rice that did not meet the standard for junmai-shu sake was effectively utilized to produce the junmai-shochu. This shochu was developed with a brewery in Hokuto City using natural yeast (hanakoubou) obtained from sunflowers, the official flower of Hokuto City, in collaboration with the Department of Fermentation Science at Tokyo University of Agriculture.

During the course of each year's sake-grade rice cultivation, we conduct hands-on rice planting and harvesting tours for Group employees. These tours have evolved into an opportunity for learning about the SDGs by fostering environmental awareness and deepening understanding of biodiversity issues.



Experience Nature Farm in Masutomi, Hokuto City, Yamanashi Prefecture



Junmai-shu sake Marunouchi produced by Yorozuya Jozoten



Junmai-shochu Otemachi produced by Takenoi Shuzo

Official Partner of the Japanese Para-Sports Association

Mitsubishi Estate became the official partner of the Japanese Para-Sports Association, also known as the JPSA, in April 2019.

The JPSA was established as the umbrella group for promoting the growth of parasports in Japan thanks to the 1964 Tokyo Paralympics Games. The Mitsubishi Group supports the JPSA cause of creating a vibrant, inclusive society, and together with the JPSA is actively engaged in efforts to grow para-athlete sports. Group employees also support parasports events as volunteers and spectators to add to the excitement.





Providing Housing for Extremely Low-Income Families

TA Realty partnered with Heading Home in 2021 in an effort to help Heading Home address the growing homelessness issue in the city of Boston. Heading Home is one of the city's largest providers of emergency, transitional and permanent housing for extremely low-income individuals and families. Heading Home not only provides shelter but also works with their clients to understand the root causes of homelessness and provides support (financial coaching, resume building, child support resources, etc) to help that individual or family on their successful path out of homelessness.

Heading Home's Up & Out, the volunteer opportunity in 2021, paired a group of TA Realty employees with a Heading Home client and her two young daughters who were being moved out of a shelter and into their very own home. Volunteers were responsible for purchasing all of the items for the apartment (furniture, decorations, toys, cleaning supplies and food) and then spent the day cleaning and decorating the apartment. The day ended with TA Realty employees handing the keys to the home over to Heading Home's client. TA Realty's contribution to this move allowed the client to move into a space that already felt like home, reducing all associated financial burdens, and ending their homelessness.

TA Realty will continue to build partnership with Heading Home to create more volunteer opportunities within the community that we live and work in.





Support for Culture and the Arts

Operating the Mitsubishi Ichigokan Museum, Tokyo

Mitsubishi Estate operates the Mitsubishi Ichigokan Museum, Tokyo in the Marunouchi area of Tokyo. It presents three different exhibitions each year focusing on modern art dating from the late 19th to early 20th century. The museum is housed in a stately red brick building that was constructed in 1894 by Mitsubishi – the first office building in Marunouchi – and then restored in 2009. The museum opened in spring the following year. It was designed by the English architect Josiah Conder at the invitation of the Japanese government. Some of the building's original architectural components, such as the stone handrails for the staircases, have been reused.



Exterior of Mitsubishi Ichigokan Museum, Tokyo



Restored bank lobby now in use as
Café 1894



Former bank lobby



Museum for All Project to Make the Museum Accessible to All

Mitsubishi Ichigokan Museum has been holding “Empathy Week” coinciding with Human Rights Week since 2017 with the aim of creating a spirit of caring and empathy in an environment where people with and without disabilities can share an appreciation of art. In December 2021, the museum launched the new Museum for All Project, which is being implemented in stages with the aim of making visitors feel more familiar with the museum.

Note: The museum is currently closed for replacement of equipment and building maintenance and is scheduled to reopen on November 23, 2024. Future initiatives of the Museum for All Project will be announced once they are finalized.

Fiscal 2022 Museum for All activities report (Japanese only)



Mitsubishi Ichigokan Museum, Tokyo





Supporting Young Artists While Connecting Art, People, and Neighborhood

Mitsubishi Estate has been implementing Art Award Tokyo Marunouchi since 2007 with an aim to discover, nurture, and support the talent of young artists, and to contribute to enlivening the area through art. Graduation and diploma projects created by undergraduate and master course students at major art universities around Japan are selected and exhibited in the Marunouchi area (the Otemachi, Marunouchi and Yurakucho districts). Awards are given to talented artists with great future prospects. The exhibition has functioned as a gateway for young artists and resulted in artists participating in individual and group exhibitions, and some are active in various fields.

Mitsubishi Estate has also been holding GEIDAI ARTS in Marunouchi in partnership with Tokyo University of the Arts every year since 2007. In addition to supporting the next generation of up-and-coming artists, we have deepened our collaboration through various types of experiential art events to allow visitors to the Marunouchi area to enjoy fine arts. In December 2022, the two partners signed a comprehensive collaboration agreement to further strengthen industry-academia collaboration initiatives with a shared philosophy on increasing corporate and individual creativity, promoting the discovery of business ideas and creation of new industries, and contributing to the solution of social issues in Japan and overseas through the power of art.

Mitsubishi Estate will continue its efforts to support artists with the aim of creating places for the discovery and success of new talent while continuing to promote further revitalization of the Marunouchi area by creating opportunities that connect art, people, and the neighborhood and allow many people to enjoy art.

[Art Award Tokyo Marunouchi 2022 \(Japanese only\)](#)



[Tokyo University of the Arts and Mitsubishi Estate Sign a Comprehensive Collaboration Agreement \(Japanese only\)](#)



Supporting Orchestras

Mitsubishi Estate has supported the NHK Symphony Orchestra, Tokyo, as a special corporate supporter since 1991 as one facet of its continuing support for culture and fine arts. Mitsubishi Estate has also supported the Japan Philharmonic Orchestra as a special member since 1998, and the Tokyo Philharmonic Orchestra as a corporate supporter since 2007.

Social Welfare

Basic Policy and Approach in Urban Development

The Mitsubishi Estate Group has set out to "create a truly meaningful society" as its Group Mission by "building attractive, environmentally sound communities where people can live, work and relax with contentment," based on the Three Principles, which is the management philosophy of the Mitsubishi Group.

In order to further promote this mission, the Mitsubishi Estate Group focuses on sustainability in urban development, including urban regeneration, taking into consideration social needs such as disaster preparedness and barrier-free access in all properties as part of the planning phase and guide the development and operation phase as well as the prevention of the spread of infectious diseases and thereby allowing diverse people – regardless of nationality, race, color, language, religion, sex, gender, sexual orientation, gender identity, age, political or other opinions, national or social origins, property, disability, birth, class, or other status – to live, work and relax with contentment.

Moreover, to facilitate use by many people, we consider access to public transport during design and development stages in all properties as we select development sites and make investments. We also consider planning and design that allows individual users to live in comfort when proceeding with development and refurbishment.

Supporting Children with Disabilities through Kira Kira Art Competition

Mitsubishi Estate established the Kira Kira Art Competition in 2002, with the desire to support the full potential of children with disabilities.

The Award for Excellence-winning works, which are selected through a screening process, are exhibited in cities across Japan, from Sapporo to Fukuoka, where Mitsubishi Estate has its branches, and all entries, including the Award for Excellence-winning works, are published on the dedicated website.

What deserves note about this art competition is that past submissions have been featured in publications, including pamphlets and calendars for corporations.

Moreover, some of the winners of this competition are registered as artists with Artbility*, an art library operated by the social welfare corporation Tokyo Colony, as they continue to develop their creative activities.

The competition is an opportunity to appraise and discover the rich talents of disabled children, and Mitsubishi Estate continues to provide support with the hope of expanding the breadth of artistic activities and helping them thrive.

* An art library established in April 1986 by Tokyo Colony, a Kira Kira Art Competition partner, to help people with disabilities gain income and increase social inclusion.



Exhibition of Award for Excellence winners at Marunouchi Building, Tokyo



Kira Kira Art Competition (Japanese only)



The “Mitsubishi Estate Shall We Concert” Brings Live Music to Children with Disabilities

Mitsubishi Estate has been holding the Mitsubishi Estate Shall We Concert (visiting concert) for students at special needs schools, who have few opportunities to leave their school and experience live music. The goals of this concert are for professional musicians to visit these schools to share the fun and charm of music, and to provide opportunities for children to learn about instruments and music.

Mitsubishi Estate works together with schools to decide the concert programs. These are not limited to classical music, as they sometimes include music from Studio Ghibli films, songs students learn in school, and school songs. These events also include opportunities for students to engage in group performances together and see musical instruments up close. The concerts also include explanations of the compositions and instruments between performances.

Since fiscal 2022, Mitsubishi Estate has been working with Tokyo International Forum to hold Marunouchi Shall We Concert, which is a spin off from the visiting concert, as part of OMY SDGs ACT5, a project that promotes activities aimed at achieving the SDGs starting with the OMY area (the Otemachi, Marunouchi, and Yurakucho districts). Every year we invite around 100 students from special needs schools, providing an opportunity for them to enjoy the music in an authentic concert hall while interacting with students from other schools.

Table for Two Delivering School Lunches to Children in Developing Countries

Mitsubishi Estate has been taking part in Table for Two since 2018, a program that supports children in developing countries through the purchase of eligible beverages and lunch menu items offered at Sparkle, the employee cafeteria at its Head Office, as a means to inspire the Group employees to think about social issues.

Table for Two is an initiative being run by the non-profit organization Table for Two International. The program aims to help improve the health of people in both developing and developed countries simultaneously. When eligible health-conscious menu items are purchased, 20 yen per meal is donated and the contribution is utilized toward providing school lunches for children in developing countries in Africa and Asia. The donation for one meal is the equivalent of one school lunch for the children.





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Governance Compliance

Compliance Approach and Policies

The Mitsubishi Estate Group believes that compliance does not simply involve legal compliance, but is also defined as adherence to internal rules and corporate ethics.

After Mitsubishi Estate was found to have violated some stipulations of the Commercial Code of Japan in 1997, the Mitsubishi Estate Group Basic Mission and Mitsubishi Estate Group Code of Corporate Conduct were formulated to reflect the company's resolve to never repeat the same mistakes. The Code of Conduct and Basic Mission were revised in 2006 as part of a serious and humble response to the discovery of soil and groundwater contamination problems at Osaka Amenity Park (OAP) in 2005.

The company regards compliance as one of its most pressing issues to address. Moreover, as the company continues to expand its businesses domestically and internationally, its social responsibilities increase in sophistication and global scale. This has led to a greater need for the whole Group to share a sense of values and a standard of conduct. This is why the Mitsubishi Estate Group Guidelines for Conduct were revised in April 2018 with the hope that they will increase true corporate value by being applied to the daily actions of individual employees and executive officers.

The Mitsubishi Estate Group aspires to build trusting relationships with its stakeholders through a highly transparent management system and reinforced compliance. Not only does the Group comply with laws and regulations but it also works hard to meet all the expectations of clients and society as it strives to achieve its basic mission of contributing to society through urban development. The Group also identifies and responds appropriately to various business risks.

Mitsubishi Estate Group Guidelines for Conduct (Extract)

1. Compliance

We comply with all laws and regulations, and respect the social norms in the areas in which we conduct business. We establish and abide by corporate ethics, and respond to the expectations of a changing society. In addition:

1. We engage fairly in all business dealings
2. We manage and safeguard information appropriately
3. We engage in efforts to prevent corruption in any form
4. We refuse any and all criminal activities in our business dealings, and
5. We are highly sensitive and responsive to societal changes.



System for Promoting Compliance

Mitsubishi Estate's compliance system has its roots in the determination of its executives and employees to improve their awareness and reform the organization after the company was found in violation of some stipulations of the Commercial Code of Japan in 1997. The Code of Corporate Conduct was formulated to define the company's basic commitment to reform, and was further refined in 2002. Group-wide reform was implemented, with all employees sharing the sense of urgency. In July 2005, a Compliance Advisory Committee consisting of external experts was formed on a temporary basis to review the compliance system in light of the soil and groundwater contamination problems discovered at Osaka Amenity Park. This committee worked to improve the corporate culture, for example, by revising the Code of Conduct.

In April 2018, the Mitsubishi Estate Group Guidelines for Conduct were revised and the company stepped up its compliance practices to meet changing demands in society and an expansion in business areas.

The current compliance promotion system is administered by the Risk Management & Compliance Committee and the Risk Management & Compliance Subcommittee. The Risk Management & Compliance Committee is chaired by the president of Mitsubishi Estate and comprises the executives from respective functional and business groups as well as the Corporate Group and discusses issues concerning Group compliance and risk management. The Risk Management & Compliance Subcommittee, which comprises general managers, holds discussions before the committee meets. In addition, an executive director has been appointed by decision of the Board of Directors as the Executive Director of Compliance to take responsibility for overseeing and promoting compliance. All Mitsubishi Estate departments and Group companies are working closely with the Legal & Compliance Department, which serves as the executive committee, to pursue compliance in a coordinated manner.

Besides the normal reporting lines provided through the help line and other systems for consultation regarding and reporting of compliance violations by Group employees, temporary employees, and part-time employees, and various other part-time staff, the Group has established procedures for direct consultation and reporting to the Legal & Compliance Department at Mitsubishi Estate. Depending on the substance of the inquiries, they are studied and the situation is confirmed with the aim of improving the working environment. When a compliance violation is suspected, a meeting of the Disciplinary Committee is held as needed to take the appropriate action. In an unlikely event of a serious compliance violation, action is taken in accordance with the Emergency Response Manual.

In accordance with the Mitsubishi Estate Group Management Rules, systems for consultation and reporting have been established for any compliance violations that occur at Group companies.

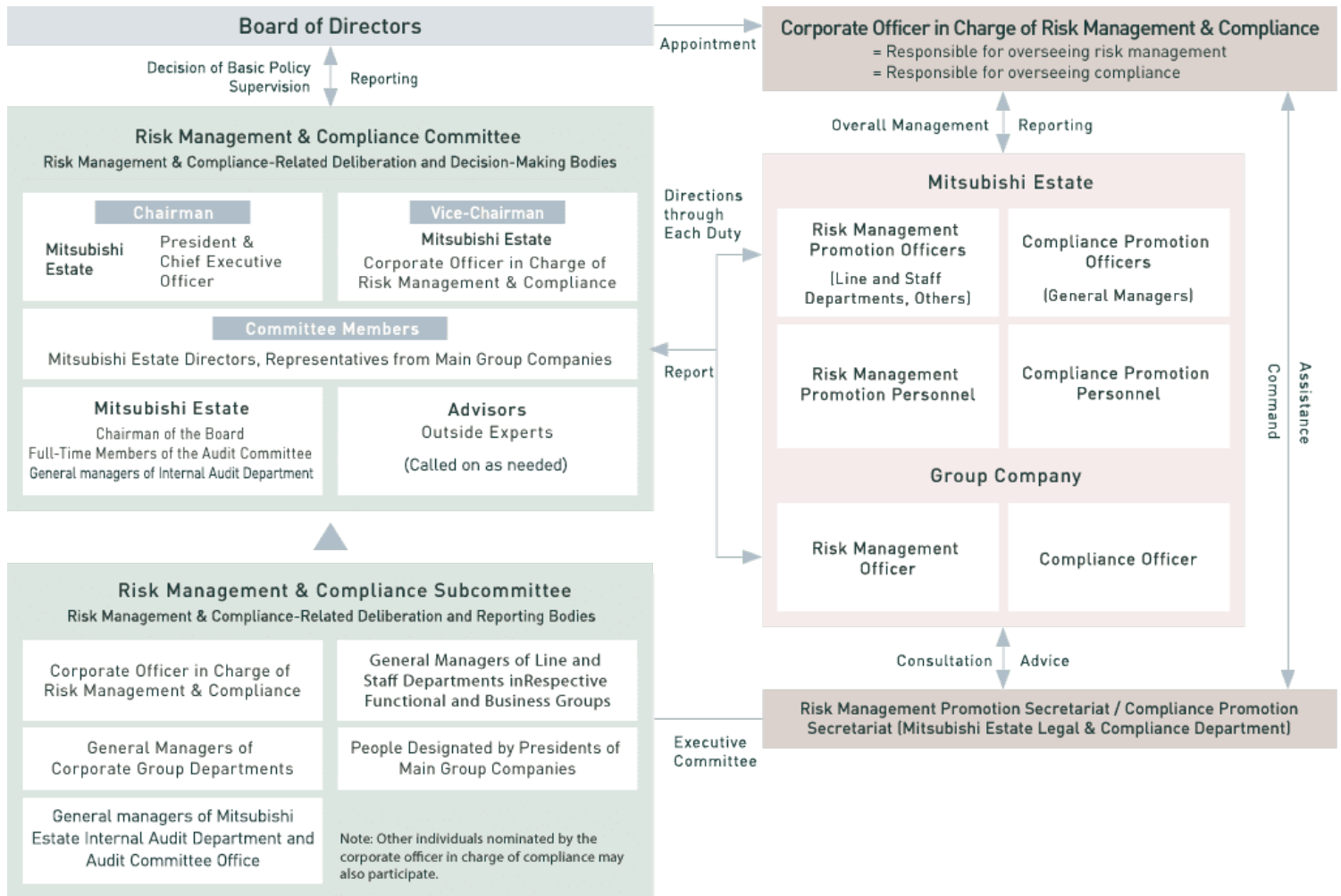
A compliance survey is implemented for all Group officers and employees, including Group employees, temporary employees, part-time employees, and various other part-time staff, every two years to conduct a regular internal review of the status of adherence to the Mitsubishi Estate Group's Basic Mission, the Code of Conduct, and Guidelines for Conduct. In addition, in order to promote understanding of the Code of Conduct, the Group obtains a pledge from employees as an expression of adherence to the guidelines.

Compliance Advisory Committee





Mitsubishi Estate Group Risk Management and Compliance System (as of April 2024)





Compliance Advisory Committee

In October 2004, the company premises were searched as a result of its violation of the Real Estate Brokerage Act by selling the OAP Residence Tower, a condominium in Osaka with known soil contamination issues, without informing clients. This was known as the OAP Incident.

Although the OAP Incident was legally dismissed in June 2005, the company reflected deeply on its actions and set up the Compliance Advisory Committee in response, under the direct supervision of the company president. The Committee was chaired by Professor Taka of the School of Economics and Business Administration of Reitaku University and was tasked with offering recommendations concerning the checking, strengthening and improving of the compliance system to prevent a recurrence of such an incident. It was also asked to give suggestions on how to improve the corporate culture.

In December of the same year, after seven rounds of deliberation, "Recommendations for Improving the Character of the Mitsubishi Estate Group - Lessons from the OAP Incident" were compiled and issued as a report in January the following year.

Recommendations for Improving the Character of the Mitsubishi Estate Group - Lessons from the OAP Incident (PDF
48KB)
(Japanese only)



An overview of the committee is provided below. Titles and departments stated are as they were at the time.

Advisory Committee Overview

1. The objective for establishing the Advisory Committee

To obtain recommendations on checking, improving and strengthening the compliance system and advice on improving corporate culture from the objective viewpoints of external experts to prevent a recurrence of the OAP Incident and other incidents.

2. The position of the Committee within the organization

An advisory committee under the direct supervision of the company president.

* The president received the findings and recommendations of the Compliance Advisory Committee and deliberated on them and decided on concrete plans along with the CSR Committee, an existing company decision-making body.

3. Members

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion] * Also attended by personnel who were not officers in charge of departments as necessary



4. Period of activity

July–December 2005 (6 months) Met on average once a month

5. Executive Committee

CSR Department, Planning Division

History of Compliance Advisory Committee Meetings

1st Meeting: Compliance Advisory Committee

1. Date and time

July 15, 2005 (Fri) 15:00 - 16:40

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

4. Deliberations (summary)

The Committee deliberated on how the Compliance Advisory Committee should proceed and finalized the following items as deliverables.

- (1) Revising the Mitsubishi Estate Group Code of Conduct
- (2) Formulating guidelines for the sale of residential buildings
- (3) Creating a report on the findings of the Compliance Advisory Committee

They also decided to publicize the details of discussions held by the Committee in summary form.



2nd Meeting: Compliance Advisory Committee

1. Date and time

August 11, 2005 (Thu) 13:30 - 15:35

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) The history of Mitsubishi Estate's compliance structure

- They explained the history and status of existing initiatives such as the Mitsubishi Estate Group Code of Conduct, the regulations and organization of the Compliance Committee and the kinds of training provided.

(2) The OAP Incident

- They provided an overview and history of the OAP project.

(3) The Investigative Committee for the Explanation of Important Matters

- They introduced the newly-formed Investigative Committee for the Explanation of Important Matters which is responsible for revising the key points and ensuring the thoroughness of the material created when drawing up contracts and explanatory documents about important matters during the sale of residential buildings.
- They also pointed out differences in knowledge of residential buildings between business operators and purchasers and the need for the persons responsible for marketing to pay attention to their speech and conduct.

(4) Compliance policies for ordering construction work

(5) The State of Emergency Guidelines

(6) Exposing potential risks

(7) Meeting to exchange ideas between mid-level employees

- In early August, Committee Chairman Professor Taka met with 30 mid-level employees from Mitsubishi Estate and the Mitsubishi Estate Group to exchange ideas. The ideas received on the occasion were explained and then discussed among the committee members and the decision was made to reflect the ideas in future training sessions.



■ Problems with the company noted during the idea exchange meeting

- The negative effects of the company's headquarters system
- The lack of a generational balance in the personnel structure
- The need for greater clarity in the decision-making process
- The lack of leadership provided by superiors

5. Other opinions

It was pointed out that training is of vital importance since it not only spreads awareness of compliance but also encourages self-reliance and a reformed mindset among individual employees.

3rd Meeting: Compliance Advisory Committee

1. Date and time

August 24, 2005 (Thu) 16:00 - 18:10

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) Conflict of Interest manuals and their application in the Fund Business and other businesses

- Plans to add information about conflicts of interest in the Fund Business and other businesses to a compliance handbook were explained.



(2) Exposing problems through in-house consultations and group questionnaires

- The Mitsubishi Estate Group's system for eliminating ties to organized crime was explained.
- Examples of inquiries received through the internal company helpline (internal reporting) system were provided and it was agreed that the responses given were generally conscientious. However, it was noted that the penalties for compliance violations set out in regulations needed further explanation.
- The need to adopt a no-tolerance approach to sexual harassment and abuses of power in particular was noted.
- It was suggested that a questionnaire be administered to measure employee satisfaction levels.
- Proposals were made concerning a revision of the contents of the compliance handbook.
- Concerning the implementation and importance of compliance, the point was made that there might be a difference in real intentions as opposed to public attitudes. Thus, it was suggested that creating a detailed manual would be effective at spreading awareness of compliance among employees and officers.

4th Meeting: Compliance Advisory Committee

1. Date and time

September 27, 2005 (Tue) 13:00 - 16:00

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]

4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) The OAP Incident

- It was explained that the company was conducting an internal investigation into the OAP Incident and that a report would be provided once it was ready.



(2) The formulation of guidelines for the sale of residential buildings

- An explanation was given about the Investigative Committee for the Explanation of Important Matters which was started by the head office of the Residential Business. The approach of widely communicating even information that clients might consider negative was also explained.
- Committee members expressed a certain level of approval for this initiative.
- Committee members then pointed out the following and made the following recommendations.

Actively disclosing information that clients may consider negative is important for the sustainable development of the company. Explanations should be given to clients in a way they can understand, which means a system to facilitate the provision of such explanations is essential. Consideration should be given to concrete plans that take the viewpoint of clients into account such as checks by parties outside the company.

Along with the preparation of a manual, the company's sense of values based on viewing matters in the client's position should be reflected in the structure instead of being left solely to the individual's mindset. This is necessary in order for those in charge of development and individuals responsible for marketing to share that sense of values.

It is important to share information between parent companies and subsidiaries, as well as to reform the mindsets of subsidiaries and parent companies which may inhibit that process.

(3) Revising the Code of Conduct

- The course of action for the revision of the Basic Mission and the principles for action were explained.
- The reform proposal was positively evaluated for its easy-to-disseminate ideas.
- It was explained that more detailed Guidelines for Conduct would be considered in the future.

5th Meeting: Compliance Advisory Committee

1. Date and time

October 21, 2005 (Fri) 14:00 - 17:00

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]



4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) The formulation of guidelines for the sale of residential buildings

- A report was given on the decisions made by the Investigative Committee for the Explanation of Important Matters and the overhaul of the sales manual.
- The Compliance Advisory Committee evaluated these measures as effective for the formulation of guidelines for the sale of residential housing. It was decided that improvements would be made to the details continuously to meet changing social attitudes.

(2) The OAP Incident

- A report was made on the status of the internal company investigation into the OAP Incident.
- A request was made for a report on selected problems from the investigation to be compiled and provided by the next committee meeting.

(3) Revising the Code of Conduct

- The Executive Committee reported on reform proposals and decided to review them before the next meeting of the Compliance Advisory Committee based on recommendations made by committee members.

6th Meeting: Compliance Advisory Committee

1. Date and time

November 18, 2005 (Fri) 14:00 - 17:00

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]



4. Deliberations (summary)

The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) Revising the Code of Conduct

- The final draft was put together based on recommendations from the company and the Compliance Advisory Committee. It was decided that a report would be made on the topic at the 7th Compliance Advisory Committee meeting following a formal decision by the CSR Committee, the company's decision-making body.

(2) Report on Findings

- Committee members also pointed out the following and made the following recommendations regarding the contents of the report on their findings.

Create a timeline of the OAP Incident, point out problems and confirm strategies to prevent a recurrence.

For the explanation of important matters, introduce initiatives that are already under way as examples of concrete strategies that take client viewpoints into account.

Specify how the department responsible for compliance will be involved.

Create a system for the proper communication of items to be handed over in long-term projects.

- It was decided that the details of the courses of action listed above would be determined by the Compliance Advisory Committee at their 7th meeting and that Professor Taka, the Committee Chairman, would put together the report of findings. It was also determined that a final report on findings would be compiled once the draft had been discussed with each committee member.

7th Meeting: Compliance Advisory Committee

1. Date and time

December 22, 2005 (Thu) 15:00 - 18:00

2. Location

Main Office Conference Room, Mitsubishi Estate

3. Attendees (titles omitted)

Committee Chairman	Iwao Taka [Professor, School of Economics and Business Administration, Reitaku University]
Committee Members (in Japanese alphabetical order)	One Akiyama [President, IntegreX Inc.] Toshiko Katayama [Lawyer, Katayama, Kuroki and Hiraizumi Law Office] Kakutaro Kitashiro [Chairman of the Board, IBM Japan, Ltd. Chairman, Japan Association of Corporate Executives] Kenji Koroyasu [Lawyer, Tokyo Eiwa Attorneys at Law. Former superintending prosecutor, Osaka High Public Prosecutors' Office]
Attendees from the company	Keiji Kimura [President & CEO] Nobuyuki Iizuka [Executive vice-president/corporate officer in charge of Compliance] Seiichiro Suzuki [Senior executive officer/officer in charge of CSR Promotion]



4. Deliberations (summary)

1. Mitsubishi Estate's internal audit structure was explained.
2. The Executive Committee explained the following issues to committee members and an exchange of ideas was held.

(1) Revising the Code of Conduct

- A report was made on the formal decision taken by the CSR Committee, the company's decision-making body, and an explanation was given of how the information would be communicated throughout the company going forward.

(2) Report on Findings

- Committee members discussed the contents of the report on findings prepared by Professor Taka, the Committee Chairman.
- Based on the opinions offered in this session, it was determined that the Committee Chairman would recompile the report, receive feedback from individual committee members and create a final report on findings.



Reinforcing Compliance

Preventing Corruption

The Mitsubishi Estate Group has declared that it will carry out equitable, transparent corporate activities with a primary emphasis on earning trust. The Group's Guidelines for Conduct forbid not just actions that could be construed as collusion with government officials or other actions considered illegal, but also entertainment and gift-giving that goes beyond the bounds of social convention.

When providing support related to the activities of political parties and political groups, the Group ensures it is appropriate in accordance with relevant laws and regulations such as the Political Funds Control Act and the Public Offices Election Act, as well as internal regulations such as the Mitsubishi Estate Group Guidelines for Conduct.

Moreover, in 2013, the Group established the Mitsubishi Estate Group Basic Regulations on the Prevention of Corruption to put in place a system to prevent corruption across the organization. In 2018, the Group established and published the Mitsubishi Estate Group Anti-Corruption Guidelines. The Guidelines document expectations of business partners with the aim of ensuring compliance throughout the supply chain based on the cooperation of all of the Group's business partners.

Mitsubishi Estate Group Guidelines for Conduct



Mitsubishi Estate Group Anti-Corruption Guidelines (PDF 245KB)



Consultation and Reporting

In addition to establishing a help line as a point of contact for consultation on matters relating to compliance, including corruption prevention, the Mitsubishi Estate Group has set up a help line exclusively for business partners to receive consultations and reports from business partners of Group companies.

Risk Assessment

The Group has established and operate the Rules on Corruption Risk Assessment and Corruption Due Diligence, which require that the risk of corruption be assessed for each contract and mandate due diligence in the case of counterparties with which transactions are deemed high risk.

In 2017, an external organization assessed the Mitsubishi Estate Group's corruption prevention system as a whole. The Group has been working to further strengthen the corruption prevention system by responding to the issues identified through the assessment.



Monitoring

The Risk Management & Compliance Committee monitors the operational status of the corruption prevention system as needed, and the status of monitoring by the Risk Management & Compliance Committee is also reported to the Board of Directors. Also, in order to maintain and continue the effectiveness of the corruption prevention system, the Group implements internal audits to assess and review the corruption prevention management system.

Education

The Mitsubishi Estate Group conducts varied training to ensure that the rules on corruption prevention are thoroughly understood. The Group provides training on corruption prevention to officers and employees and obtains pledges on the Guidelines on the Prevention of Corruption from officers and employees. The Group also holds annual lectures on corruption prevention, particularly for departments and Group companies engaged in international business.

Violation of Laws and Regulations on Corruption

The Group was not subject to any fines or penalties for corruption in fiscal 2022.

See the following for information about violation of laws and regulations on corruption.

[ESG Data > G: Governance data > \(2\) Other > 2. Risk Management and Compliance](#)



Measures Against Organized Criminal Elements

The Mitsubishi Estate Group clearly stipulates its refusal to countenance any relationship whatsoever with organized criminal elements in its Guidelines for Conduct. Mitsubishi Estate's Legal & Compliance Department serves as a special department to take resolute measures for the Group, in cooperation with the police, in the event of any contact from criminal elements.



Augmenting the Help Line

The Mitsubishi Estate Group has established a confidential compliance help line to receive inquiries and consultations on compliance issues. Officers and employees can consult the help line about suspected compliance violations or other issues of concern that have to be addressed, such as harassment, human relationships in the workplace, labor relations, and corruption. Group company employees, temporary employees, part-time employees, and various other part-time staff can also use the help line. In 2018 the Mitsubishi Estate Group help line center was unified with external organizations to make it possible for it to receive calls on weekday evenings and weekends and holidays as well. In addition, the Group set up the Global Help Line in 2022 for officers and employees attached to overseas subsidiaries, compatible with the laws and regulations in each country as well as other factors such as languages and time zones. To ensure that employees know about the help line, information is provided in the Compliance Newsletter and on posters.

The Group responds appropriately to the reports received by studying and confirming the situation based on the consultations and improve the workplace environment.

See the following for the number of reports to the help line.

[ESG Data > G: Governance data > \(2\) Other > 2. Risk Management and Compliance](#)



The Mitsubishi Estate Group has also established help lines at individual Group companies and regularly collates data to confirm trends. In addition, a help line exclusively for business partners has been set up to receive consultations and reports on compliance from the business partners of Group companies.

Occurrences of Serious Compliance Violations

In the event of compliance violations, the Mitsubishi Estate Group takes disciplinary action against the offender in accordance with the nature of the violation.

See the following for occurrences of serious compliance violations.

[ESG Data > G: Governance-related data > \(2\) Other > 2. Risk Management and Compliance](#)



Publishing the Compliance Guidebook

To accompany the revision of the Mitsubishi Estate Group Guidelines for Conduct in April 2018, the Compliance Guidebook was revised and published as a training tool. The Guidebook uses illustrations and a Q&A format to explain the Mitsubishi Estate Group's five most important values in an easy-to-follow format. It was distributed to all Group officers and employees and helps to increase knowledge and understanding of what compliance involves.



Providing Risk Management and Compliance Training

The Mitsubishi Estate Group uses opportunities such as training sessions for new hires and new managers to provide training to ensure risk management and compliance awareness among all executives and employees.

In particular, new hires from major Group companies participate in joint training together to learn about the Code of Conduct and basic compliance issues.

Moreover, Mitsubishi Estate provides compliance education during training for newly appointed managers and level 2 professional career hires, and also provides all employees and officers, including outside directors, with training in risk management and compliance via e-learning.

See the following for the risk and compliance e-learning attendance rate.

ESG Data > G: Governance-related data > (2) Other > 2. Risk Management and Compliance



Holding Risk Management and Compliance Lectures

Every year, Mitsubishi Estate holds risk management and compliance lectures for managers and executives, including those at Group companies. The lecture topic is chosen from genres related to risk management and compliance, in light of social conditions during that particular year. Mitsubishi Estate is working to strengthen risk management and compliance through this lecture initiative as well as the training described above.

Compliance Surveys

The Mitsubishi Estate Group gives compliance surveys every two years to its executive officers and full-time, temporary, and part-time employees to ascertain the extent to which they are aware of compliance issues. The Group analyzes the survey results to identify overall trends and characteristics of each business group and company, and provide feedback to each workplace to help maintain and strengthen the compliance system as well as reporting the results to management.



Including Compliance and Risk management Criteria in Personal Evaluations

In order to ensure that each and every employee has aware of compliance and risk management and acts with integrity as a member of the Mitsubishi Estate Group, we have included evaluation criteria related to compliance and risk management in our personnel evaluations. Specifically, in accordance with the The Spirit of Mitsubishi: The Three Principles and The Mitsubishi Estate Group Code of Conduct, the achievement levels are defined for each position and grade, including whether the employee is acting with an awareness of compliance, identifying and avoiding risks, and preventing recurrence. All employees are evaluated once a year on the status of achievement, and the results are taken into consideration for salary increases.

Through these personnel evaluations, each and every employee will strengthen their awareness and consciousness as a member of the Mitsubishi Estate Group, and by acting in a fair and transparent manner, we will strive to earn the trust of our many stakeholders.



Governance Risk Management

Risk Management Approach and Policies

The Mitsubishi Estate Group has established the Mitsubishi Estate Group Risk Management Rules and has set up and operates a risk management system to manage risk in all its business activities. The Group systematically carries out risk management programs, focusing on the following two types of activities.

Risk Management Activities

01

Risk Management Activities of Respective Individual Business and Functional Groups and Group Companies

Individual Group companies and functional and business groups identify important risks based on a risk analysis and carry out activities throughout the year to reduce the risks identified. In addition, the general managers of each functional or business group ascertain the status of risk management activities of different business companies under the jurisdiction of each group and provide coordination and support.

02

Identification and Monitoring of Key Risks That Need Particular Attention from the Group

To accurately grasp the risks facing the Group as a whole, and by selecting and mapping key risks that require measures to be taken, the risks that must be addressed and their level of priority are brought to light. While monitoring risks throughout the year, particularly key risks, support is provided as necessary.



Risk Map



Risks that necessitate the improvement of existing measures or introduction of new measures

Risks that are appropriately dealt with by continuing existing measures

Candidates for risks needing countermeasures in the future

Key risks requiring countermeasures during fiscal year

Ongoing risks requiring countermeasures (currently having impact)

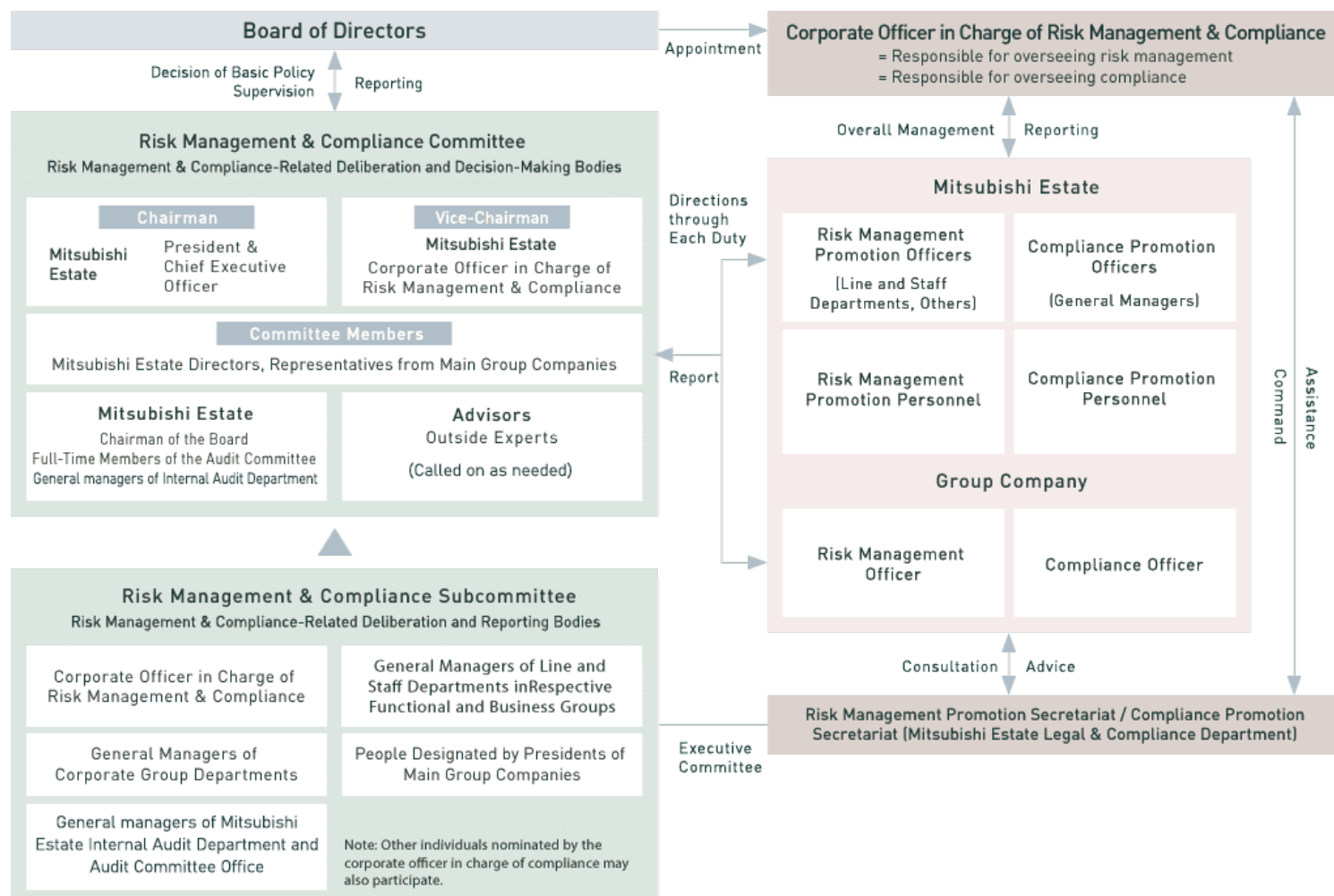
Ongoing risks requiring countermeasures (large impact)



System for Promoting Risk Management

Mitsubishi Estate has established the Risk Management & Compliance Committee to oversee the Group's risk management and formed the Risk Management & Compliance Subcommittee as a working-level consulting body responsible for such matters as the collection of risk management-related information. The corporate officer in charge of risk management at Mitsubishi Estate is appointed by resolution of the Board of Directors to take responsibility for overseeing risk management, and general managers of each business groups and general managers from Group departments have been designated as risk management officers. We promote risk management activities through the Mitsubishi Estate Legal & Compliance Department, which serves as the secretariat. The Risk Management & Compliance Committee reviews the effectiveness of the risk management process as needed and its findings will be reported to the Board. We have also established and implemented action guidelines, contact and initial response systems, and business continuity planning for use in times of crisis.

Risk Management and Compliance System (As of April 2024)





Risk Management Related to Investment Projects

Among the various risks recognized by the Mitsubishi Estate Group, risks related to investment projects are based on the assessment of business viability by company-wide research functions and under investment decision rules of the Strategic Investment Office. Prior to the deliberation of important investment projects by the Executive Committee, which is chaired by the president & CEO of Mitsubishi Estate and is responsible for strategic planning for the entire Group and monitors the progress of each business toward realizing this strategy, the Strategic Investment Committee deliberates and evaluates profitability, the nature of risks and related countermeasures, and other matters. At each phase, risk assessments are also conducted from legal and financial aspects in order to grasp an overall picture of the risks.

Strategic Investment Committee

In its deliberations, in addition to assessing the economic viability of a given project using multiple indicators, the Strategic Investment Committee verifies the appropriateness of various aspect of premises, such as rents, unit selling prices, and construction costs. For risks, in particular, simulations of upside and downside scenarios are incorporated into investment decision rules. The difference between the scenario set by the responsible business group in charge of the project and the downside scenario is recognized as risk. The Strategic Investment Committee holds discussions on the acceptable limits of that risk.

Risk Evaluation Process for Individual Projects





Risk Management Initiatives

Holding Risk Management and Compliance Lectures

Mitsubishi Estate holds risk management and compliance lectures for managers and executives, including those at Group companies. The lecture topic is chosen from genres related to risk management and compliance, in light of social conditions in that particular year.

Dealing with Major Risks

Below are some examples of risks that have come to light in the Mitsubishi Estate Group through risk management activities and various business activities and countermeasures that have been taken.

	Risks	Countermeasures
Risks of Natural and Man-Made Disasters, etc.	Amid growing social interest in the way companies respond in the event of pandemics and natural disasters, such as typhoons, in the unlikely event of shortcomings in a response deemed appropriate by the Group, safety management, reputational, and other risks could emerge, which might affect the Group's business promotion and performance.	At facilities that it owns or operates, the Mitsubishi Estate Group prepares business continuity plans for use in the event of a natural or man-made disaster. In addition, redevelopment projects promoted by the Group put in place advanced disaster-management functions and adopt disaster countermeasures through area management.
Risks of a Deterioration in Real Estate Market Conditions	The Group's performance may be adversely affected if real estate market conditions were to deteriorate in accordance with an economic downturn caused by domestic and overseas factors. In such circumstances, the Group would need to pay particular attention to the progress of occupancy rates in the Tokyo office leasing market and to multi-use development, redevelopment, and other plans, as these entail large-scale investments over long-term development time frames.	The basic policy of the Group is to conclude relatively longterm lease contracts with customers in its office building leasing business. The resultant prospect of stable lease revenues mitigates to a certain degree the risk of sharp economic fluctuations.
Risks of Substantial Rises in Material Prices	If material prices rose in conjunction with a steep increase in raw material and crude oil prices due to domestic and overseas factors, the Group may not necessarily be able to offset this through increased sales prices and rental fees in its real estate development business, which may have an adverse effect on performance.	The Group implements cost control measures, such as the early placement of construction material orders, and will monitor trends in material prices in a timely manner going forward while adopting a multifaceted response that encompasses adjusting investment and development plans and consulting with its partners.
Risks of Fluctuations in Exchange Rates	The Group's business operations are affected by fluctuations in exchange rates. Appreciation of the yen reduces the yen conversion amount in foreign currency denominated transactions. In addition, a portion of the Group's assets and liabilities are converted into Japanese yen for the preparation of consolidated financial statements. Accordingly, even if there was no change in the value of said assets and liabilities in local currency terms, their value may be affected after yen conversion	The Group strives to minimize risks of fluctuations in exchange rates through such efforts as procuring funds in the relevant foreign currency when acquiring foreign currency-denominated assets.



	Risks	Countermeasures
Risks of Increases in Interest Rates	<p>The Bank of Japan (BOJ) has implemented a policy of quantitative and qualitative monetary easing with yield curve control in response to the credit crunch in financial markets and the slowdown in the global economy. However, a rise in interest rates due to a change in the BOJ's policy or a deterioration in the demand-supply balance for Japanese government bonds (JGBs) caused by growth in the issuance of JGBs may negatively affect the performance, financial position, or other aspects of the Group's business.</p>	<p>The Group hedges interest rate risk on a portion of its variable interest rate financing through interest rate swaps to convert its interest rate payments into fixed payments. The Group plans to continue procuring funds in consideration of the balance between outstanding borrowings and corporate bonds with fixed and variable interest rates.</p>
Information Security Risks, Such as Cyberattacks, Including Leaks of Personal Information	<p>The Group's performance could be affected in the unlikely event of external leaks of confidential information or the materialization of system risks due to unforeseen circumstances, such as information security incidents resulting from cyberattacks, computer viruses, or the like.</p>	<p>The Group has established regulations in relation to information management, based on which it implements a rigorous information management system, and complies appropriately with revisions to laws, such as the Act on the Protection of Personal Information. Moreover, in order to raise the IT security level Groupwide, the Group has positioned its DX Promotion Department at the center of efforts to standardize its IT systems and make them more secure. The Group is also enhancing collaboration among DX Promotion Department IT security personnel and between the department and external security companies, thereby providing Groupwide support.</p>



Emerging Risks for the Mitsubishi Estate Group's Business

Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
Soaring material costs and supply shortages due to the situation in Ukraine	<p>The Mitsubishi Estate Group operates a real estate business that includes office buildings, condominiums, and commercial complexes. The main business model is to plan and design real estate projects within the Group, order construction from construction companies, and then lease properties to tenants. Construction companies procure construction materials that meet the Group's design specifications, and this includes procurement of timber for use in construction. Timber is mainly used for concrete formwork panels and building interiors, and some of the timber procured is produced in Russia. In light of the situation in Ukraine, one of the risks is a shortage of timber due to unreliable imports of timber from Russia. The Group has also been using certified timber from Russia for some of the concrete formwork panels with the target of using 100% certified or domestically-produced timber.</p>	<p>Unreliable timber imports from Russia could lead to the following impacts on business</p> <p>[Impact on costs and construction period]</p> <p>Due in part to the impact of the wood supply shock, it is now very difficult to find alternative timber, and additional time and expense is involved in the search for alternatives. Furthermore, if the Group opts to use certified timber, as stipulated in the Group's sustainability goals, the difficulty in obtaining timber will increase further. There could also be an impact on the construction period, and in that case, construction costs will increase. In addition, the cost of alternative timber itself is expected to increase.</p>	<p>The Group established MEC Industry Co. Ltd. as a Group company that handles everything from procurement to sale of Japan-grown timber in an effort to promote its own procurement of timber and its incorporation into products. The Mitsubishi Estate Group considers Japan-grown timber to be low risk in terms of illegal logging and human rights and believes that it meets the Group's standards.</p>



Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
Energy Crunch	<p>The real estate leasing business is one of our major businesses, and we operate a variety of assets, including office buildings, rental condominiums, and commercial facilities. In the course of our leasing business, we use various types of energy, such as electricity and heat, which are major business costs. Energy costs are on an upward trend due to the recent sharp rise in fuel costs and other factors, and we view this as one of the emerging risks since the cost impact on our business is significant.</p>	<p>Rising energy prices will increase building operation and management costs and we view this as a cost risk as we operate and manage a large number of properties.</p>	<p>To reduce the impact of rising energy prices, for example, in the office leasing business, we are taking the following initiatives</p> <p>(1) Develop real estate with high energy performance. (For properties above a certain size, we make it mandatory to obtain green building certification, etc.)</p> <p>(2) Implement energy-saving measures to the extent that they do not interfere with the office operation business.</p>
Human rights due diligence legislation	<p>As human rights due diligence legislation is being implemented in Europe and elsewhere, the standards required are becoming more sophisticated. Since the Mitsubishi Estate Group does business in many countries, it believes it is necessary to comply with the legal systems in the countries where it operates. Even in countries where legal systems are not yet in place, it is also necessary to make preparations in advance of such legal systems. In addition, due to the nature of the real estate business, some of the Group's business partners, for example the construction industry, are labor-intensive and thus high risk in terms of human rights.</p>	<p>The most significant impact of a delay in complying with legal systems related to human rights due diligence is expected to be a loss of trust from stakeholders. In particular, it could lead to a loss of trust from investors, which could lead to divestment, or a loss of trust from customers (tenants, condominium purchasers, etc.), which could, in turn, impact sales, etc.</p>	<p>In fiscal 2021, with the aim of further strengthening supply chain management, the Mitsubishi Estate Group revised its existing CSR Procurement Guidelines and established the Supplier Code of Conduct to set forth the matters it expects compliance from suppliers. The Group identifies high-risk suppliers in terms of human rights and the environment and conducts SAQ(self-assessment questionnaire) whether they comply with the contents of the Supplier Code of Conduct. Depending on the results of the SAQ, the Group requests improvements or conducts on-site audit.</p>



Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
Information security risk	<p>The risk posed by cyberattacks is increasing year by year, and we consider it to be one of the management risks, with concerns including information leaks, unauthorized access to, and damage from ransomware attacks on information systems and data related to personal information, etc. of tenants of office buildings and commercial facilities and purchasers of condominiums.</p>	<p>The Mitsubishi Estate Group holds a vast amount of customer and business partner data, including personal information related to the tenants of office buildings and commercial facilities and the purchasers of condominiums, as well as information on orders placed with construction companies for new construction. The stable operation of information systems is also necessary for providing services outside of the Group and the execution of internal operations. Information leaks or threats such as ransomware attacks and unauthorized access lead to a decline in corporate credibility and hinder business activities, which could in turn impact business profitability.</p>	<p>In light of society's growing concerns over appropriate information management, response to cyberattacks, and protection of personal information, the Mitsubishi Estate Group manages information by establishing rules related to information management (rules on information management, information systems, cybersecurity, and personal information) and updates its rules related to information management as required in response to changes in the environment and technology. The Group also strives to ensure strict information management through continuous monitoring and audits.</p> <p>Moreover, in order to raise the IT security level of the entire Group, we have established information management systems to implement measures such as the following:</p> <ul style="list-style-type: none"> ● We have strengthened Groupwide cybersecurity by appointing senior executive officer Keiji Takano as the Chief Information Security Officer (CISO) of the Mitsubishi Estate Group and establishing the Cybersecurity Promotion Office in the DX Promotion Department ● The new Cybersecurity Promotion Office established in fiscal 2022 is composed mainly of specialists with knowledge about cybersecurity as an organization which will strengthen cybersecurity both in terms of management and technology. ● We implement security training, targeted attack email drills, and role-specific security training for all Mitsubishi Estate Group employees to enhance security response capabilities. ● We maintain and enhance the security of our information systems by introducing and operating security measures and conducting periodic security assessments to correct vulnerabilities and review countermeasures. ● The Mitsubishi Estate Group's CSIRT (Computer Security Incident Response Team) system is based on the Cybersecurity Promotion Office. In the event of large-scale damage, an emergency task force will be established to respond to the incident. ● We have formulated a BCP response plan, established an information system for BCP response, and hold BCP response drills at least once a year. ● We utilize cybersecurity knowledge gained from sharing information on the latest response cases through participation in various external organizations' activities. ● We are continuously making improvements by identifying problems and issues through regular security assessment by external third parties and responding to any findings.



Risks	Explanation of risks and business background	Impact on business	Action to mitigate risk
<p>Business continuity risk due to natural disasters, etc.</p>	<p>Climate change-driven natural disasters, which include flooding due to abnormal weather and sudden heavy rain, typhoons, and hurricanes, have become more severe in recent years. It is thought this could impact on the business continuity of the offices and commercial facilities operated by the Company, and this has been identified as an emerging risk.</p>	<p>Abnormal weather, such as sudden heavy rain, thought to be due to climate change, could damage the offices and commercial facilities operated by the Company. If the Company is forced to suspend operations of its facilities due to this damage, the number of people using urban areas and facilities will decrease, and it will be harder to lease facilities to tenants, which could make it difficult to continue the business. In addition, if it is difficult to continue the business, it is also assumed there could be an impact on rental profits.</p>	<p>The Mitsubishi Estate Group has installed advanced disaster prevention functions in the urban areas it develops and the buildings it operates as well as taking disaster response measures through area management.</p> <p>For example, in order to minimize the risk of flooding in office buildings it constructs, the Group takes all possible flood control measures including installing waterstopping equipment such as tide plates and watertight doors, and locating stockpile stores and key sites (e.g. power receiving and transforming equipment and disaster prevention centers) on above-ground floors. The Group has also been devising ways to develop highly disaster-resilient urban areas, such as installing systems in which electricity, water, and ventilation all function independently even when infrastructure supplies are cut in a disaster.</p> <p>The Mitsubishi Estate Group has established the Mitsubishi Estate Group Business Continuity Plan Guidelines, the Mitsubishi Estate Business Continuity Plan Documents, and the Mitsubishi Estate Group Guide to Preparing a Business Continuity Plan Document. By strengthening the bonds between the Business Continuity Plan and the Framework of Anti-Disaster Measures, we are ready to ensure both the safety of customers and Mitsubishi Estate Group employees as well as the business continuity of the Mitsubishi Estate Group in an emergency.</p> <p>Mitsubishi Estate Co., Ltd. has been implementing a variety of disaster prevention drill initiatives.</p> <ul style="list-style-type: none"> ● Every year, Mitsubishi Estate holds its comprehensive disaster prevention drill with the participation of all its officers and employees as well as Group companies and related parties to minimize damage and ensure a rapid response in the event of a disaster. ● As a disaster prevention initiative in the Otemachi-Marunouchi-Yurakucho area, Mitsubishi Estate conducted verification testing of Saigai Dashboard 4.0 in collaboration with Chiyoda-ku, railway companies, bus operators, building operators, and others. This has realized contactless reception in facilities for stranded commuters using QR codes and visualization of congestion around facilities. ● The company held an initial response drill for head office employees based on the action plan for after an automatic announcement by the disaster system, in which a fifth generation mobile communications system (5G) was used for the first time in Japan. With cooperation from SoftBank Corp., Mitsubishi Estate installed Odekake 5G, a portable 5G facility that can be used locally for 5G communications, and verified a system for monitoring evacuation centers in real time using AI video analysis software. The information that was visualized in real time included the number of evacuees and rescue workers in evacuation centers, status of crowding in evacuation centers, results of rescue worker identification using facial recognition, and results of detection of people in need of being rescued.



Business Continuity Plan Initiative and Review

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

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

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



Governance Internal Audit

Status of Internal Audits

The Internal Audit Department conducts internal audits through "site audits" and "audits by theme" in accordance with mid-term and annual audit plans formulated based on company-wide risk assessments to confirm whether governance, risk management, and internal control systems are in place and operating properly.

In the "site audits" multiple offices are selected each year and audited based on the results of risk assessments of each Mitsubishi Estate department, branch, and domestic and overseas group company conducted by the Internal Audit Department at the time of the audit plan formulation. In this audit, we audit the status of penetration of basic philosophy and compliance including the Mitsubishi Estate Group Basic Mission, Charter of Conduct, and Action Guidelines, as well as the status of risk management activities at the relevant sites.

The "audit by theme" is an audit based on predetermined themes. One such theme is the "Audit on the Effectiveness of the Company-wide Risk Management System," which is conducted every year. The theme is selected based on a risk approach, including risk identification, evaluation, management, and monitoring processes, as well as the status of response to significant risks.

All audit results are reported to the President and explained to the full-time Audit Committee member and the director in charge of compliance. In addition, a summary of the results is also reported to the Management Committee and the Audit Committee, and important items are also reported to the Board of Directors. Issues identified in audits are notified to the audited departments, etc., requesting them to take measures for improvement, and the status of improvement is confirmed.

In addition, the Internal Audit Department undergoes external evaluations on a regular basis (approximately every five years), with the most recent external evaluation conducted in FY2021. The latest external evaluation was conducted in FY2021. Through these efforts, we strive to continuously improve the quality of our audits.

The Internal Audit Department also serves as the secretariat for management's reporting on internal control over financial reporting (J-SOX), and promotes the evaluation of internal control over financial reporting in cooperation with the audit by the accounting auditor. In this context, the Internal Audit Office evaluates the status of internal controls, including compliance systems, of the Company and its consolidated subsidiaries in cooperation with the relevant departments.



Governance Tax Transparency

Policy on Tax Transparency

The Mitsubishi Estate Group states that it will engage in fair and transparent corporate activities in the Mitsubishi Estate Group Code of Conduct and the Mitsubishi Estate Group Guidelines for Conduct, and considers it is important to act in compliance with corporate ethics and internal rules, beyond merely complying with legal requirements. Based on this concept, the Mitsubishi Estate Group complies with the matters listed below and engages in appropriate, fair, and highly transparent tax practices.

1. Compliance with tax laws and conformity with international standards

Each Mitsubishi Estate Group company complies with laws, regulations, and rules related to tax in each country where they engage in business activities as well as implementing tax practices in conformity with standards and guidelines published by international organizations (e.g., OECD, EU, the United Nations). Each Group company also ensures that it will file and pay taxes by the deadline stipulated in each country.

2. Sound relationships with tax authorities

The Mitsubishi Estate Group maintains sound and normal relationships with tax authorities and does not provide unjustified benefits.

3. Implementation of appropriate tax treatments

The Mitsubishi Estate Group responds appropriately to changes in the tax system and tax administration in each country to ensure appropriate tax treatments and strives to ensure that an appropriate amount of tax is paid while also considering the use of tax incentives within the scope of normal business activities.

4. Prevention of unfair tax avoidance measures

The Mitsubishi Estate Group does not engage in unfair tax avoidance measures, such as use of tax havens for the purpose of tax avoidance.

5. Transfer pricing

In its transactions with foreign parties, the Mitsubishi Estate Group takes into consideration the arm's length price (ALP) and appropriately distributes profits based on the functions, assets, and risks of each subsidiary in each country.



Governance System

In order to ensure appropriate and fair financial reporting in accordance with the policy set out above, the Mitsubishi Estate Group has formulated and operates the Mitsubishi Estate Group Basic Guidelines on Internal Control Regarding Financial Reporting (Basic Rules) based on the Basic Policy of Establishment of the Internal Control System (resolution of the Board of Directors). These guidelines stipulate the following roles and responsibilities for financial reporting.

Roles and responsibilities stipulated in the guidelines

- Mitsubishi Estate Co., Ltd. Representative Corporate Executive Officer, President & Chief Executive Officer ("the President")
 - Establishes and operates internal control system in order to ensure reliability of financial reporting at the Mitsubishi Estate Group.
- Mitsubishi Estate Co., Ltd. Board of Directors
 - Supervises establishment and operation of internal control system related to Mitsubishi Estate Group financial reporting by the President.
- Mitsubishi Estate Co., Ltd. Audit Committee
 - Monitors and verifies the establishment and operation of internal control system related to Mitsubishi Estate Group financial reporting by the Board of Directors and the President.
- Mitsubishi Estate Co., Ltd. Internal Audit Department
 - Evaluates status of establishment and operation of internal control system related to Mitsubishi Estate Group financial reporting and promotes improvements as necessary.

For Audit Committee audits, the Committee receives reports on the audit plan, audit implementation system, and audit results from the Independent Auditor and the Internal Audit Department, and reports on the status of settlement of accounts at the end of quarterly and annual financial periods from the Finance & Accounting Department. The Audit Committee reports the results of Audit Committee audits to the Board of Directors.

In addition, the evaluations of the status of establishment and operation of the internal control system related to Mitsubishi Estate Group financial accounting conducted by the Internal Audit Department assess the effectiveness of the internal control system related to financial reporting with a focus on the tax calculation processes and other business processes that result in highly significant account items. This is reported to the Board of Directors by the President.

The substance of financial reporting (the consolidated financial statements) is audited by the Independent Auditor, and audit reports are received as follows.

Consolidated Financial Statements (PDF 11.2MB)





Disclosure of Tax Payments

Click here for the Mitsubishi Estate Group's tax payment record.

ESG Data > G: Governance data > (2) Other





ESG Report / ESG Data

ESG Data



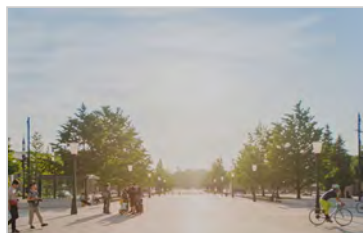
E: Environmental data

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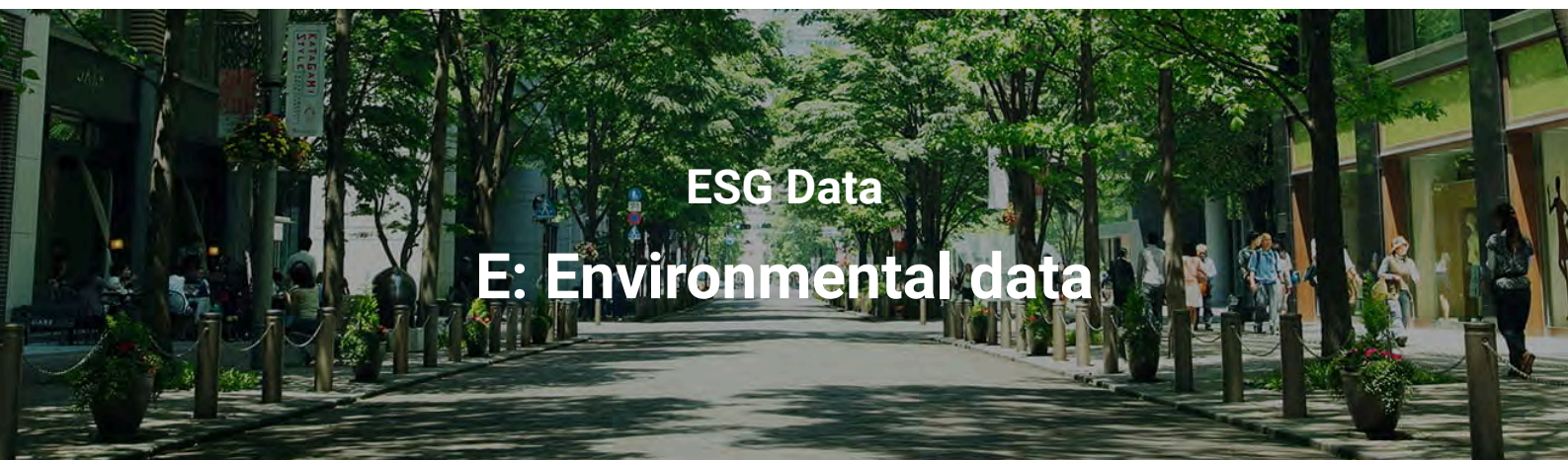
S: Social data

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G: Governance data

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ESG Data

E: Environmental data

E: Environmental data

S: Social data

G: Governance data

E: Environmental data

(1) KPI

1. Climate Change (GHG Emissions, Energy Use)

	Targets&Taget year		Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Unit	Boundary
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*.)	total	2,277,376	2,099,270	2,534,820	3,533,468	4,038,583	3,588,345	3,336,472	t-CO ₂	100% of Mitsubishi Estate Group*
		Scope1+2	224,239	265,442	312,198	413,153	476,363	-	-	t-CO ₂	
		Scope3	2,053,137	1,833,828	2,222,622	3,120,314	3,562,220	-	-	t-CO ₂	
Renewable Energy Rate * Revision in February 2022	Achieve 100% group-wide by fiscal 2025		55.4%	51.4%	30.8%	3.1%	1.1%	1.3%	-		100% of Mitsubishi Estate Group*
Energy consumption* ⁵	-		564,415	559,826	518,515	1,024,802	1,242,153	1,138,078	-	MWh	
- Renewable energy consumption	-		312,606	288,019	159,663	31,804	14,005	14,685	-	MWh	

*1 As a general rule, target group companies are selected based on actual control approach. Properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.
(However, under GRESB, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are 20% and over are included.)



- *2 Emissions that remain unabated within the value chain in the target year are termed “residual emissions.” The SBTi standard requires neutralizing any residual emissions using forest absorption and carbon removal technologies outside the value chain to counterbalance the impact of these unabated emissions and to achieve net-zero emissions.
- *3 Since the above numerical targets were revised upward in March 2022, the figures for the base year, FY2019 onward, show the breakdown of Scope 1+2 and Scope 3, respectively.
- *4 For FY2019 actual emissions, the figures for Scope 2 and Scope 3 in total emissions have been partially changed due to the transfer of tenant emissions from Scope 2 to Scope 3 in leased real estate when the numerical targets were revised.
- *5 For RE100, tenant use is excluded from electricity consumption from FY2021.

2. Resources (Waste, Water, Forestry Resources, etc.)

	Targets	Target year	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Unit	Boundary
Waste generated per unit of floor space	20% reduction from FY2019 FY2019 actual: 7.1kg/m ²	2030	6.4	5.6	5.1	5.0	7.1	11.1	kg/m ²	100% of Mitsubishi Estate Group *1
Waste generated	-	-	44,431	45,879	39,420	39,221	54,114	74,595	t	
Area floor	-	-	6,993,078	8,052,059	7,760,237	7,807,417	7,591,269	6,750,610	m ²	
Recycling rate	90%	2030	59.5%	59.1%	58.4%	60.5%	55.2%	45.5%		100% of Mitsubishi Estate Group *1
Waste recycled	-	-	26,415	27,102	23,023	23,742	29,878	33,923	t	
Recycled water usage rate	100%	Fiscal 2030 ongoing goal	100%	100%	100%	100%	100%	100%		Newly constructed *2, large-scale *3 office buildings and commercial facilities in Japan
Japan-grown timber usage rate	100%	Fiscal 2030 ongoing goal	74.5%	73.5%	71.2%	69.3%	71.8%	-		Mitsubishi Estate Home (structural materials and floor materials for detached housing)

*1 Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.

*2 Completed in 2002 onward

*3 Floor area: 100,000m² or more



(2) Other

Basic Data on Target Properties

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
Total floor area (m ²)	6,993,078	8,052,059	7,760,237	7,807,417	7,591,269	6,750,610	6,761,510
Number of target properties	155	135	120	111	112	97	90

Independent assurance has been obtained for fiscal 2019 - 2022 results in (1) through (3) below.

[Independent Third-Party Assurance Report](#)





1. Climate Change (GHG Reduction and Energy Management)

GHG Emissions

	Fiscal 2023					Fiscal 2022				
	Emissions (t-CO ₂)	Per unit (t-CO ₂ /m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown	Change from 2019 (base year)	Emissions (t-CO ₂)	Per unit (t-CO ₂ /m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown	Change from 2019 (base year)
Total GHG emissions (Scope 1+Scope 2+Scope 3)	2,277,376	0.2917	100.0%	-	▲43.6%	2,099,270	0.2689	100.0%	-	▲48.0%
Scope 1	93,034	0.0120	4.1%	-	▲21.4%	110,783	0.0143	5.3%	-	▲6.4%
- CO ₂	92,336	-	4.1%	-	▲21.3%	108,258	-	5.2%	-	▲7.7%
- CH ₄	0	-	0.0%	-	-	0	-	0.0%	-	-
- N ₂ O	0	-	0.0%	-	-	0	-	0.0%	-	-
- HFCs	698	-	0.0%	-	▲35.8%	2,525	-	0.1%	-	+132.3%
- PFCs	0	-	0.0%	-	-	0	-	0.0%	-	-
- SF ₆	0	-	0.0%	-	-	0	-	0.0%	-	-
- Other	0	-	0.0%	-	-	0	-	0.0%	-	-
Scope 2	131,205	0.0169	5.8%	-	▲63.4%	154,659	0.0199	7.4%	-	▲56.8%
Scope 1 + Scope 2	224,239	0.0289	9.8%	-	▲52.9%	265,442	0.0342	12.6%	-	▲44.3%
Scope 3	2,053,137	-	90.2%	100.0%	▲42.4%	1,833,828	-	87.4%	100.0%	▲48.5%
- Category 1: Purchased goods and services	269,645	-	11.8%	13.1%	+209.2%	297,717	-	14.2%	16.2%	+241.4%
- Category 2: Capital goods	1,124,196	-	49.4%	54.8%	▲0.9%	834,773	-	39.8%	45.5%	▲26.4%
- Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	83,409	-	3.7%	4.1%	▲37.1%	86,226	-	4.1%	4.7%	▲35.0%
- Category 5: Waste generated in operations	27,306	-	1.2%	1.3%	+25.5%	27,167	-	1.3%	1.5%	+24.8%
- Category 6: Business travel	1,440	-	0.1%	0.1%	+14.8%	1,390	-	0.1%	0.1%	+10.8%
- Category 7: Employee commuting	2,219	-	0.1%	0.1%	▲22.1%	3,099	-	0.1%	0.2%	+8.8%
- Category 11: Use of sold products	431,615	-	19.0%	21.0%	▲77.4%	439,701	-	20.9%	24.0%	▲76.9%
- Category 12: End-of-life treatment of sold products	37,602	-	1.7%	1.8%	▲23.6%	44,083	-	2.1%	2.4%	▲10.4%
- Category 13: Downstream Leased Assets	75,704	-	3.3%	3.7%	▲66.6%	99,673	-	4.7%	5.4%	▲56.1%

	Fiscal 2021					Fiscal 2020				
	Emissions (t-CO2)	Per unit (t-CO2/m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown	Change from 2019 (base year)	Emissions (t-CO2)	Per unit (t-CO2/m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown	Change from 2019 (base year)
Total GHG emissions (Scope 1+Scope 2+Scope 3)	2,534,820	0.3247	100.0%	-	▲37.2%	3,533,468	0.4526	100.0%	-	▲12.5%
Scope 1	120,713	0.0156	4.8%	-	+2.0%	116,914	0.0150	3.3%	-	▲3.1%
- CO2	116,438	-	4.6%	-	▲0.7%	114,729	-	3.2%	-	-
- CH4	0	-	0.0%	-	-	0	-	0.0%	-	-
- N2O	0	-	0.0%	-	-	0	-	0.0%	-	-
- HFCs	4,275	-	0.2%	-	+293.3%	2,185	-	0.1%	-	-
- PFCs	0	-	0.0%	-	-	0	-	0.0%	-	-
- SF6	0	-	0.0%	-	-	0	-	0.0%	-	-
- Other	0	-	0.0%	-	-	0	-	0.0%	-	-
Scope 2	191,485	0.0247	7.5%	-	▲46.5%	296,239	0.0379	8.4%	-	▲17.3%
Scope 1 + Scope 2	312,198	0.0402	12.3%	-	▲34.5%	413,153	0.0529	11.7%	-	▲13.3%
Scope 3	2,222,622	-	87.7%	100.0%	▲37.6%	3,120,314	-	88.3%	100.0%	▲12.4%
- Category 1: Purchased goods and services	63,486	-	2.5%	2.9%	▲27.2%	55,037	-	1.6%	1.8%	▲36.9%
- Category 2: Capital goods	951,607	-	37.5%	42.8%	▲16.1%	1,266,641	-	35.8%	40.6%	+11.6%
- Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	83,354	-	3.3%	3.8%	▲37.2%	117,993	-	3.3%	3.8%	▲11.1%
- Category 5: Waste generated in operations	25,472	-	1.0%	1.1%	+17.1%	15,129	-	0.4%	0.5%	▲30.5%
- Category 6: Business travel	1,330	-	0.1%	0.1%	+6.1%	1,301	-	0.0%	0.0%	+3.8%
- Category 7: Employee commuting	2,939	-	0.1%	0.1%	+3.2%	2,936	-	0.1%	0.1%	+3.1%
- Category 11: Use of sold products	918,548	-	36.2%	41.3%	▲51.8%	1,420,533	-	40.2%	45.5%	▲25.5%
- Category 12: End-of-life treatment of sold products	34,255	-	1.4%	1.5%	▲30.4%	48,289	-	1.4%	1.5%	▲1.9%
- Category 13: Downstream Leased Assets	141,631	-	5.6%	6.4%	▲37.6%	192,456	-	5.4%	6.2%	▲15.2%

	Fiscal 2019				Fiscal 2018			
	Emissions (t-CO ₂)	Per unit (t-CO ₂ /m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown	Emissions (t-CO ₂)	Per unit (t-CO ₂ /m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown
Total GHG emissions (Scope 1+Scope 2+Scope 3)	4,038,583	0.5325	100.0%	-	3,588,345	0.5316	100.0%	-
Scope 1	118,351	0.0156	2.9%	-	108,289	0.0160	3.0%	-
- CO ₂	117,264	-	2.9%	-	107,011	-	3.0%	-
- CH ₄	0	-	0.0%	-	0	-	0.0%	-
- N ₂ O	0	-	0.0%	-	0	-	0.0%	-
- HFCs	1,087	-	0.0%	-	1,278	-	0.0%	-
- PFCs	0	-	0.0%	-	0	-	0.0%	-
- SF ₆	0	-	0.0%	-	0	-	0.0%	-
- Other	0	-	0.0%	-	0	-	0.0%	-
Scope 2	358,012	0.0472	8.9%	-	564,033	0.0836	15.7%	-
Scope 1 + Scope 2	476,363	0.0628	11.8%	-	672,322	0.0996	18.7%	-
Scope 3	3,562,220	-	88.2%	100.0%	2,916,023	-	81.3%	100.0%
- Category 1: Purchased goods and services	87,211	-	2.2%	2.4%	77,035	-	2.1%	2.6%
- Category 2: Capital goods	1,134,531	-	28.1%	31.8%	975,004	-	27.2%	33.4%
- Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	132,683	-	3.3%	3.7%	77,488	-	2.2%	2.7%
- Category 5: Waste generated in operations	21,762	-	0.5%	0.6%	19,401	-	0.5%	0.7%
- Category 6: Business travel	1,254	-	0.0%	0.0%	1,227	-	0.0%	0.0%
- Category 7: Employee commuting	2,848	-	0.1%	0.1%	1,885	-	0.1%	0.1%
- Category 11: Use of sold products	1,905,897	-	47.2%	53.5%	1,714,888	-	47.8%	58.8%
- Category 12: End-of-life treatment of sold products	49,214	-	1.2%	1.4%	49,095	-	1.4%	1.7%
- Category 13: Downstream Leased Assets	226,820	-	5.6%	6.4%	-	-	-	-



	Fiscal 2017			
	Emissions (t-CO ₂)	Per unit (t-CO ₂ /m ²)	Percentage of total emissions	Percentage of Scope 3 breakdown
Total GHG emissions (Scope 1+Scope 2+Scope 3)	3,336,472	0.4935	100.0%	-
Scope 1	120,634	0.0178	3.6%	-
- CO ₂	119,989	-	3.6%	-
- CH ₄	0	-	0.0%	-
- N ₂ O	0	-	0.0%	-
- HFCs	645	-	0.0%	-
- PFCs	0	-	0.0%	-
- SF ₆	0	-	0.0%	-
- Other	0	-	0.0%	-
Scope 2	575,262	0.0851	17.2%	-
Scope 1 + Scope 2	695,896	0.1029	20.9%	-
Scope 3	2,640,576	-	79.1%	100.0%
- Category 1: Purchased goods and services	74,329	-	2.2%	2.8%
- Category 2: Capital goods	990,329	-	29.7%	37.5%
- Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	84,675	-	2.5%	3.2%
- Category 5: Waste generated in operations	45,571	-	1.4%	1.7%
- Category 6: Business travel	1,151	-	0.0%	0.0%
- Category 7: Employee commuting	1,768	-	0.1%	0.1%
- Category 11: Use of sold products	1,398,021	-	41.9%	52.9%
- Category 12: End-of-life treatment of sold products	44,732	-	1.3%	1.7%
- Category 13: Downstream Leased Assets	-	-	-	-

* Target group companies are based on actual control standard. As a general rule, facilities that rate of Mitsubishi Estate Group's ownership or Trust beneficiary right is less than 50% don't subject to Boundary

* Categories 4/8/9/10/14/15 are excluded from the scope of calculation for reasons including (1) there is no emission source, (2) they are included in Scope 1 + 2 or other category, or (3) their contribution within the entirety is negligible.



Breakdown of Energy Consumption

	Fiscal 2023		Fiscal 2022		Fiscal 2021		Fiscal 2020		Fiscal 2019		Fiscal 2018	
	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value	Electricity equivalent (MWh)	GJ equivalent value
Scope 1												
- Gas	551,812	1,986,522	591,192	2,128,290	632,793	2,278,055	615,532	2,215,915	628,481	2,267,417	585,394	2,107,418
- Heavy Oil	2,618	9,425	7,666	27,598	6,468	23,286	6,021	21,675	6,645	23,921	7,470	26,891
- Other Oil	799	2,876	857	3,086	851	3,064	2,026	7,292	730	1,560	4	13
Scope 2												
- Electricity	564,415	-	541,959	-	500,633	-	1,024,802	-	1,242,153	-	-	-
- Steam	73,563	264,825	84,890	305,603	78,195	281,504	80,357	289,286	111,208	400,350	-	-
- Steam Water	9,055	32,598	13,418	48,305	15,224	54,805	13,629	49,064	11,498	41,394	-	-
- Cold Water	111,137	400,094	110,344	397,237	100,217	360,782	104,312	375,525	105,480	379,727	-	-

* Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)



GHG Emissions, Energy Use and Other Data by Type of Property

	Fiscal 2023						Fiscal 2022					
	Floor area (1,000m ²)	GHG emissions (t-CO ₂)	Per unit (t- CO ₂ /m ²)	Energy use (GJ)	Per unit (GJ/m ²)	Number of target properties	Floor area (1,000m ²)	GHG emissions (t-CO ₂)	Per unit (t- CO ₂ /m ²)	Energy use (GJ)	Per unit (GJ/m ²)	Number of target properties
Office buildings	5,642	75,512	0.01	2,090,727	0.37	68	5,734	101,726	0.02	2,209,758	0.39	65
Commercial facilities	965	19,223	0.02	551,102	0.57	23	1,126	24,852	0.02	609,602	0.54	25
Hotels	408	24,664	0.06	275,873	0.68	26	369	21,567	0.06	255,698	0.69	23

	Fiscal 2021						Fiscal 2020					
	Floor area (1,000m ²)	GHG emissions (t-CO ₂)	Per unit (t- CO ₂ /m ²)	Energy use (GJ)	Per unit (GJ/m ²)	Number of target properties	Floor area (1,000m ²)	GHG emissions (t-CO ₂)	Per unit (t- CO ₂ /m ²)	Energy use (GJ)	Per unit (GJ/m ²)	Number of target properties
Office buildings	4,488	158,273	0.04	2,547,965	0.57	54	4,667	307,934	0.07	2,960,906	0.63	53
Commercial facilities	864	38,034	0.04	536,637	0.62	32	1,831	137,402	0.08	1,412,010	0.77	29
Hotels	624	64,399	0.10	1,008,236	1.61	14	336	15,830	0.05	176,634	0.53	14

	Fiscal 2019						Fiscal 2018					
	Floor area (1,000m ²)	GHG emissions (t-CO ₂)	Per unit (t- CO ₂ /m ²)	Energy use (GJ)	Per unit (GJ/m ²)	Number of target properties	Floor area (1,000m ²)	GHG emissions (t-CO ₂)	Per unit (t- CO ₂ /m ²)	Energy use (GJ)	Per unit (GJ/m ²)	Number of target properties
Office buildings	4,596	356,063	0.08	3,255,690	0.71	51	5,051	485,312	0.1	5,564,242	1.1	51
Commercial facilities	1,727	154,535	0.09	1,551,447	0.90	29	1,024	90,812	0.09	1,443,189	1.41	20
Hotels	212	36,722	0.17	328,227	1.55	12	149	13,043	0.09	251,669	1.69	11

*1 Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*2 Other uses not included in calculations for table above



2. Waste and Resources

Waste Generated, Recycled, and Recycling Rate by Type of Waste

	Fiscal 2023			Fiscal 2022			Fiscal 2021		
	Waste generated (t)	Recycled volume (t)	Recycling rate	Waste generated (t)	Recycled volume (t)	Recycling rate	Waste generated (t)	Recycled volume (t)	Recycling rate
Copier and office automation paper	547	547	100%	619	619	100%	493	493	100%
Confidential documents (bulk processed documents)	19	19	100%	32	32	100%	182	182	100%
Magazines, pamphlets, and colored paper	957	957	100%	1,193	1,193	100%	1,482	1,482	100%
Newspapers and flyers inserted in newspapers	424	424	100%	467	467	100%	412	412	100%
Corrugated cardboard	10,516	10,516	100%	9,422	9,422	100%	8,613	8,613	100%
Miscellaneous paper	1,813	1,813	100%	1,949	1,949	100%	1,596	1,596	100%
Other combustible waste (paper waste and miscellaneous waste)	14,924	216	1.4%	13,733	362	2.6%	8,902	674	7.6%
Kitchen waste (tea leaves, leftover food, cigarette butts, etc.)	4,527	2,849	62.9%	5,122	2,504	48.9%	6,440	1,960	30.4%
Trees, grass, and fibers, etc.	106	105	99.2%	543	523	96.4%	962	391	40.7%
Jars	1,007	1,007	100%	893	893	100%	680	680	100%
Cans	678	678	100%	570	570	100%	508	508	100%
Plastic bottles	1,085	1,085	100%	978	978	100%	846	846	100%
Cooking oil	221	220	99.7%	299	285	95.4%	185	185	100%
Lunch box packaging	413	202	49.0%	409	233	56.9%	956	615	64.3%
Other (waste plastic)	3,810	2,947	77.3%	3,988	3,463	86.8%	2,949	2,042	69.3%
Other (fluorescent lights)	13	13	100%	15	15	100%	524	15	2.8%
Other (industrial waste)	2,900	2,775	95.7%	3,380	3,111	92.0%	2,083	2,083	100%
Other (includes waste that cannot be sorted into the above)	470	41	8.7%	465	29	6.2%	736	30	4.1%
Grand Total	44,431	26,415	59.5%	45,879	27,102	59.1%	39,420	23,023	58.4%

	Fiscal 2020			Fiscal 2019			Fiscal 2018		
	Waste generated (t)	Recycled volume (t)	Recycling rate	Waste generated (t)	Recycled volume (t)	Recycling rate	Waste generated (t)	Recycled volume (t)	Recycling rate
Copier and office automation paper	509	509	100%	678	678	100%	742	649	87.4%
Confidential documents (bulk processed documents)	166	166	100%	113	113	100%	992	659	66.4%
Magazines, pamphlets, and colored paper	1,756	1,756	100%	2,470	2,470	100%	2,437	2,253	92.4%
Newspapers and flyers inserted in newspapers	526	526	100%	695	695	100%	1,191	1,076	90.4%
Corrugated cardboard	8,361	8,361	100%	11,096	11,096	100%	10,255	9,419	91.8%
Miscellaneous paper	1,843	1,843	100%	2,015	2,015	100%	3,143	2,328	74.1%
Other combustible waste (paper waste and miscellaneous waste)	8,768	680	7.8%	13,342	675	5.1%	15,454	1,094	7.1%
Kitchen waste (tea leaves, leftover food, cigarette butts, etc.)	5,472	1,892	34.6%	9,716	3,276	33.7%	20,070	3,855	19.2%
Trees, grass, and fibers, etc.	633	330	52.0%	1,016	43	4.3%	1,253	69	5.5%
Jars	655	655	100%	1,282	1,282	100%	2,462	2,319	94.2%
Cans	517	517	100%	847	847	100%	3,142	3,060	97.4%
Plastic bottles	858	858	100%	1,497	1,497	100%	3,122	2,553	81.8%
Cooking oil	209	209	100%	224	224	100%	249	237	95.3%
Lunch box packaging	767	472	61.5%	1,402	775	55.3%	1,203	662	55.0%
Other (waste plastic)	3,093	1,782	57.6%	4,006	2,420	60.4%	6,191	2,441	39.4%
Other (fluorescent lights)	1,413	17	1.2%	58	58	100%	68	35	51.1%
Other (industrial waste)	2,741	2,741	100%	1,478	1,093	74.0%	818	554	67.7%
Other (includes waste that cannot be sorted into the above)	461	322	69.9%	149	97	64.8%	1,804	661	36.7%
Grand Total	39,221	23,742	60.5%	54,114	29,878	55.2%	74,595	33,923	45.5%

* Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

Waste Generated by Type of Property

	Fiscal 2023				Fiscal 2022				Fiscal 2021			
	Floor area (1,000m ²)	Waste generated (t)	Per unit (kg/m ²)	Number of target properties	Floor area (1,000m ²)	Waste generated (t)	Per unit (kg/m ²)	Number of target properties	Floor area (1,000m ²)	Waste generated (t)	Per unit (kg/m ²)	Number of target properties
Office buildings	5,642	29,313	5.2	68	5,734	34,530	6.0	65	4,488	23,853	5.3	54
Commercial facilities	965	12,656	13.1	23	1,126	18,562	16.5	25	864	16,357	18.9	32
Hotels	408	2,325	5.7	26	369	1,805	4.9	23	624	1,303	2.1	14

	Fiscal 2020				Fiscal 2019				Fiscal 2018			
	Floor area (1,000m ²)	Waste generated (t)	Per unit (kg/m ²)	Number of target properties	Floor area (1,000m ²)	Waste generated (t)	Per unit (kg/m ²)	Number of target properties	Floor area (1,000m ²)	Waste generated (t)	Per unit (kg/m ²)	Number of target properties
Office buildings	4,667	21,424	4.6	59	5,244	35,611	7.7	54	5,051	36,780	7.3	47
Commercial facilities	1,831	15,907	8.7	25	1,059	15,045	8.7	20	1,024	7,218	7.0	20
Hotels	336	1,329	4.0	15	212	1,809	8.5	12	149	25,520	171.2	11

*1 Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*2 Other uses not included in calculations for table above

Hazardous Substance Emissions

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Nox (t)	0.0	3.1	3.1	3.3	4.3	3.1	Mitsubishi Estate
Sox (t)	0.0	0.0	0.0	0.0	0.0	0.0	Mitsubishi Estate
PCBs (t)* ¹	0.0	6.2	61.5	28.9	116.2	3.2	Mitsubishi Estate
Asbestos (t)* ²	141.9	59.2	146.7	94.9	557.1	104.3	Mitsubishi Estate

*1 PCB waste is completely detoxified and properly treated so that it does not cause environmental impact using treatment facilities and methods stipulated by the government based on the Act on Special Measures Concerning Promotion of Proper Treatment of PCB Wastes established by the Ministry of the Environment.

*2 Emission of construction-related waste containing asbestos. Asbestos is properly processed in a form not involving any environmental impact in accordance with the treatment method stipulated by the government based on the Waste Management and Public Cleansing Act established by the Ministry of the Environment.



3. Water

Water Usage

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
Water withdrawal (m ³)	6,117,218	5,946,083	5,270,464	4,988,909	6,498,558	5,777,904	5,445,722
- Fresh surface water	0	0	0	0	0	0	0
- Brackish surface water/seawater	0	0	0	0	0	0	0
- Groundwater - renewable	499,963	492,938	478,111	397,248	132,387	-	-
- Groundwater - non renewable	0	0	0	0	0	0	0
- Produced water/entrained water	0	0	0	0	0	0	0
- Third party sources (municipal potable water)	5,617,254	5,453,145	4,792,354	4,591,661	6,366,171	5,777,904	5,445,722
Water discharge (m ³)	4,996,745	5,008,352	4,381,218	4,082,675	5,721,372	5,658,971	2,683,751 ^{*2}
- Fresh surface water	0	0	0	0	0	0	0
- Brackish surface water/seawater	0	0	0	0	0	0	0
- Groundwater	0	0	0	0	0	0	0
- Third party destinations	4,996,745	5,008,352	4,381,218	4,082,675	5,721,372	5,658,971	2,683,751
Water consumption (m ³)	1,120,473	937,730	889,246	906,234	777,186	118,933	2,761,971
Recycled water (m ³)	966,740	938,393	793,728	797,403	1,335,830	1,101,472	816,827

*1 Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*2 As water discharge data was not available at certain facilities, there are discrepancies with the results for fiscal 2018 and fiscal 2019.

Water Usage by Type of Property

	Fiscal 2023						Fiscal 2022					
	Floor area (1,000m ²)	Water withdrawal (m ³)	Per unit (m ³ /m ²)	Water discharge (m ³)	Per unit (m ³ /m ²)	Number of target facilities	Floor area (1,000m ²)	Water withdrawal (m ³)	Per unit (m ³ /m ²)	Water discharge (m ³)	Per unit (m ³ /m ²)	Number of target facilities
Office buildings	5,642	3,232,410	0.57	2,962,756	0.53	68	5,734	3,250,264	0.71	3,056,408	0.67	65
Commercial facilities	965	1,232,636	1.28	1,159,282	1.20	23	1,126	1,144,793	0.66	1,135,874	0.66	25
Hotels	408	673,963	1.65	663,205	1.63	26	369	583,962	2.75	578,758	2.73	23

	Fiscal 2021						Fiscal 2020					
	Floor area (1,000m ²)	Water withdrawal (m ³)	Per unit (m ³ /m ²)	Water discharge (m ³)	Per unit (m ³ /m ²)	Number of target facilities	Floor area (1,000m ²)	Water withdrawal (m ³)	Per unit (m ³ /m ²)	Water discharge (m ³)	Per unit (m ³ /m ²)	Number of target facilities
Office buildings	4,488	2,135,148	0.46	2,028,971	0.44	54	4,667	2,028,971	0.44	2,028,971	0.44	53
Commercial facilities	864	1,717,983	0.99	1,543,844	0.89	32	1,831	1,543,844	0.89	1,543,844	0.89	29
Hotels	624	244,628	1.15	242,543	1.14	14	336	242,543	1.14	242,543	1.14	14

	Fiscal 2019						Fiscal 2018					
	Floor area (1,000m ²)	Water withdrawal (m ³)	Per unit (m ³ /m ²)	Water discharge (m ³)	Per unit (m ³ /m ²)	Number of target facilities	Floor area (1,000m ²)	Water withdrawal (m ³)	Per unit (m ³ /m ²)	Water discharge (m ³)	Per unit (m ³ /m ²)	Number of target facilities
Office buildings	4,596	3,094,801	0.67	3,005,493	0.65	51	5,051	4,010,966	0.79	3,774,352	0.75	51
Commercial facilities	1,727	2,072,191	1.20	1,996,223	1.16	29	1,024	1,210,212	1.18	1,307,182	1.28	20
Hotels	212	426,987	2.01	416,383	1.96	12	149	396,446	2.66	434,601	2.92	11

*1 Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*2 Other uses not included in calculations for table above



Results of Water Risk Analysis Using Aqueduct Water Risk Atlas, a Water Risk Analysis Tool

Overall risk ^{*1}	Number of target properties	Percentage	Water withdrawal (m ³)	Water discharge (m ³)	Water consumption (m ³)
0-1 Low	8	5.2%	320,564	318,159	2,405
1-2 Low-medium	147	94.8%	5,796,654	4,678,586	1,118,068
2-3 Medium-high	0	0.0%	0	0	0
3-4 High	0	0.0%	0	0	0
4-5 Extremely high	0	0.0%	0	0	0
Total	155	100.0%	6,117,218	4,996,745	1,120,473

*1 Definition on Aqueduct: overall water-related risk based on all factors, including physical water volume, water quality, regulations, and reputational risk

*2 Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*3 Analysis scope: properties covered by the SBT scope in fiscal 2023

4. Energy Saving

Rate of Facilities with Energy-Saving Equipment Adopted/Installed

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Rate of adoption for water-conserving appliances (automatic faucets, water-conserving toilets)	100%	100%	100%	100%	100%	100%	Newly constructed ^{*1} , large-scale ^{*2} office buildings and commercial facilities in Japan
Rate of installation of electric vehicle charging stations	92.3%	92.3%	92.3%	92.3%	92.3%	92.3%	Newly constructed ^{*1} , large-scale ^{*2} office buildings and commercial facilities in Japan
Rate of provision of bicycle parking areas	100%	100%	100%	100%	100%	100%	Newly constructed ^{*1} , large-scale ^{*2} office buildings and commercial facilities in Japan

*1 Completed in 2002 onward

*2 Floor area: 100,000m² or more



5. Green Building Certification

Comprehensive Certification

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
CASBEE certification (includes self-certifications and expired certifications)								Mitsubishi Estate Group ^{*1}
- Number of certified properties	21	27	12	12	10	8	7	
- Total floor area of certified properties (m ²)	1,534,009	1,913,217	1,385,772	1,280,499	1,247,375	1,203,704	1,029,650	
- Certification rate (ratio of total floor area to SBT-target properties)	21.9%	23.8%	17.9%	16.4%	16.6%	18.0%	15.4%	
Development Bank of Japan (DBJ) Green Building certification								Mitsubishi Estate Group ^{*1}
- Number of certified properties	34	24	11	11	9	8	8	
- Total floor area of certified properties (m ²)	3,704,680	2,935,859	1,174,253	1,068,980	962,693	951,213	951,213	
- Certification rate (ratio of total floor area to SBT-target properties)	53.0%	36.5%	15.1%	13.7%	12.8%	14.2%	14.2%	
LEED								Mitsubishi Estate Group ^{*1}
- Number of certified properties	2	2	2	2	2	2	2	
- Total floor area of certified properties (m ²)	408,665	408,665	408,665	408,665	408,665	408,665	408,665	
- Certification rate (ratio of total floor area to SBT-target properties)	5.8%	5.1%	5.3%	5.2%	5.4%	6.1%	6.1%	
Total								Mitsubishi Estate Group ^{*1}
- Number of certified properties ^{*2}	46	43	18	18	14	11	10	
- Total floor area of certified properties ^{*2} (m ²)	4,226,644	3,890,781	2,245,540	1,994,267	1,854,856	1,799,705	1,625,651	
- Certification rate (ratio of total floor area to SBT-target properties)	60.4%	48.3%	28.9%	25.5%	24.6%	26.9%	24.2%	
SBT-target floor area ^{*3}	6,993,078	8,052,059	7,760,237	7,807,417	7,534,201	6,693,542	6,704,442	Mitsubishi Estate Group ^{*1}

*1 Scope: the same as for the SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which the Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

*2 When multiple certification have been obtained for the same property, it is counted as one property so as to calculate the total value without any duplication.

*3 Only includes properties eligible for certification



Comprehensive Energy Efficiency Certification

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Building-housing Energy-efficiency Labeling System (BELS)								Mitsubishi Estate Group*
- Number of certified properties	10	12	9	1	1	1	1	
- Total floor area of certified properties (m ²)	195,050	543,571	467,098	108,350	108,350	108,350	108,350	
- Certification rate (ratio of total floor area to SBT-target properties)	2.8%	6.8%	6.0%	1.4%	1.4%	1.6%	1.6%	

* Scope: the same as for SBT scope (Target organizations are selected based on actual control approach. As a general rule, properties in which Mitsubishi Estate Group's ownership or trust beneficiary rights are less than 50% are not included in data calculations.)

Biodiversity Certification

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Number of projects recognized with ABINC certification	31	28	27	26	22	15	22	Mitsubishi Estate Group

6. Other

Environmental Accidents or Violations of Environmental Laws and Regulations

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Violations of environmental laws and regulations	0	0	0	0	0	1	0	Mitsubishi Estate Group
- Of which those related to water quality and water volume	0	0	0	0	0	0	0	Mitsubishi Estate Group
Environmental accidents	0	0	0	0	0	0	0	Mitsubishi Estate Group
Environment related fines and penalties (yen)	0	0	0	0	0	0	0	Mitsubishi Estate Group

Environmental Management System Certification

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Percentage of business sites with environmental management system certification based on ISO14001	1.8%	1.5%	1.5%	1.7%	1.4%	40.5%	42.2%	Mitsubishi Estate Group



Biodiversity Exposure & Assessment

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016	Boundary
Overall									Mitsubishi Jisho Residence
- the total number of sites used for operational activities	18	14	20	19	26	29	26	24	
- the total area used for operational activities (m ²)	33,141.90	75,764.39	69,303.06	52,736.15	89,428.45	75,415.25	78,413.40	39,569.68	
Assessment									Mitsubishi Jisho Residence
- the total number of sites conducted biodiversity impact assessments	18	14	20	19	26	29	26	24	
- the total area conducted biodiversity impact assessments (m ²)	33,141.90	75,764.39	69,303.06	52,736.15	89,428.45	75,415.25	78,413.40	39,569.68	
Exposure									Mitsubishi Jisho Residence
- the number of sites in close proximity to critical biodiversity *	0	0	0	0	0	0	0	0	
- the total area in close proximity to critical biodiversity * (m ²)	0	0	0	0	0	0	0	0	
Management plans									Mitsubishi Jisho Residence
- the total number of sites with biodiversity management plan	0	0	0	0	0	0	0	0	
- the total area with biodiversity management plan (m ²)	0	0	0	0	0	0	0	0	

* World Heritage sites



ESG Data

S: Social data

E: Environmental data

S: Social data

G: Governance data

S: Social data

(1) KPI

Diversity & Inclusion

	Targets	Target Year	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Paid leave utilization	Above 65%	Fiscal 2022	-	67.9%	66.6%	56.9%	59.8%	68.0%	72.9%	Mitsubishi Estate
Average number of used paid leave days	12 or more	Every year	-	13.2	12.6	10.8	10.8	12.4	13.6	Mitsubishi Estate
Ratio of female new graduate hires	Above 40%	Every year	43.8%	33.9%	35.7%	38.3%	37.8%	37.8%	31.4%	Mitsubishi Estate*1
Ratio of female mid-career hires	Above 40%	Every year	-	37.5%	36.5%	24.4%	17.1%	66.7%	22.2%	Mitsubishi Estate
Ratio of female managers	①above 20%、②30%、③40%	①Fiscal 2030、②Fiscal 2040、③Fiscal 2050	8.1%	7.3%	7.2%	6.6%	5.8%	5.8%	5.5%	Mitsubishi Estate*2
Rate of male employees taking childcare leave of absence*6	above 100%	Fiscal 2030 ongoing goal	-	82.4%	110.6%	75.5%	64.9%	24.0%	21.2%	Mitsubishi Estate*3
Rate of female employees taking childcare leave of absence	100%	Fiscal 2030 ongoing goal	-	100.0%	100.0%	98.7%	100.0%	98.7%	100.0%	Mitsubishi Estate*4
Rate of reinstatement to work after maternity/childcare leave	100%	Fiscal 2030 ongoing goal	-	100.0%	100.0%	100.0%	94.8%	93.8%	96.7%	5 Group companies*5
Employment rate of persons with disabilities	2.50%	Fiscal 2030 ongoing goal	-	2.20%	2.20%	2.30%	2.20%	2.23%	2.22%	5 Group companies*5

*1 As of April 1 of each fiscal year

*2 As we raised the target in FY2021, the boundary was changed to Mitsubishi Estate、 As of April 1 of each fiscal year

*3 From FY2022, the boundary of this target was changed to Mitsubishi Estate

*4 From FY2023, the boundary of this target was changed to Mitsubishi Estate

*5 Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services



- *6 Ratio of "the number of male employees who took childcare leave during the fiscal year (b)" to "the number of male employees whose spouse gave birth to a child/children during the fiscal year (a)" (b/a). (Since (b) includes employees who had a child before the fiscal year but did not take the leave within the fiscal year in which the child/children was/were born, and who newly took the leave in the fiscal year, the rate may exceed 100%.)

Health Management

	Targets	Target Year	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Percentage of high-risk group for metabolic syndrome (aged 40 or older*)	(1) 4.7% (2) 0%	(1) Fiscal 2025 (2) Fiscal 2030	9.8%	7.5%	9.4%	9.4%	-	-	Mitsubishi Estate*1
Percentage of healthy group (aged 40 or older*)	(1) 29.8% (2) 32.8%	(1) Fiscal 2025 (2) Fiscal 2030	31.9%	23.9%	21.7%	26.8%	-	-	Mitsubishi Estate*1
Cancer screening rate	90.00%	Every year from FY2021 – FY2030	83.8%	88.6%	88.0%	80.7%	-	-	Mitsubishi Estate*1
High stress group	Maintain percentage of 10% or lower (national average: 10%)	Every year from FY2021 – FY2031	6.5%	5.5%	4.0%	4.7%	5.5%	-	Mitsubishi Estate*2

*1 Applies to head and branch office employees

*2 Includes seconded staff

Resilient Urban Development

	Targets	Target Year	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Rate of employees with first aid provider qualification	100%	Fiscal 2030 ongoing goal	82.0%	75.3%	72.4%	63.0%	61.0%	64.0%	2 Group companies*

* Mitsubishi Estate, Mitsubishi Jisho Property Management



Other

	Targets	Target Year	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Employee absentee rate	0%	Fiscal 2030 ongoing goal	0.7%	0.8%	0.9%	0.9%	0.8%	0.8%	5 Group companies ^{*1}
Rate of provision of accessible toilets	100%	Fiscal 2030 ongoing goal	100%	100%	100%	100%	100%	100%	Newly constructed ^{*2} , large-scale ^{*3} office buildings and commercial facilities in Japan
Rate of barrier-free buildings	100%	Fiscal 2030 ongoing goal	100%	100%	100%	100%	100%	100%	Newly constructed ^{*2} , large-scale ^{*3} office buildings and commercial facilities in Japan
Percentage of wood that meets sustainable sourcing code ^{*4} (certified and domestically produced) used for formwork concrete panels	100%	2030	-	80%	-	-	-	-	Mitsubishi Estate, Mitsubishi Estate Residence

*1 Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services

*2 Completed in 2002 onward

*3 Total floor area: 100,000m² or more

*4 The standards for sustainability-conscious procurement, with reference to international agreements and codes of conduct in various fields related to sustainability



(2) Other

1. Human Resources

I) Mitsubishi Estate Employment Conditions

Workforce breakdown (As of the beginning of each fiscal year)

	Fiscal 2024		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Men	1,447	71.2%	1,454	71.8%	1,401	72.9%	1,369	74.0%
(Of which, regular employees)	1,189	58.5%	1,180	58.3%	1,148	59.7%	1,122	60.6%
- Of which, managers	679	33.4%	659	32.6%	659	34.3%	662	35.8%
- Of which, non-managerial employees	510	25.1%	521	25.7%	489	25.4%	460	24.9%
(Of which, short-term contract workers)	258	12.7%	274	13.5%	253	13.2%	247	13.3%
Women	586	28.8%	570	28.2%	522	27.1%	482	26.0%
(Of which, regular employees)	466	22.9%	434	21.4%	390	20.3%	352	19.0%
- Of which, managers	60	3.0%	54	2.7%	51	2.7%	47	2.5%
- Of which, non-managerial employees	406	20.0%	380	18.8%	339	17.6%	305	16.5%
(Of which, short-term contract workers)	120	5.9%	136	6.7%	132	6.9%	130	7.0%
Total	2,033	100.0%	2,024	100.0%	1,923	100.0%	1,851	100.0%
(Of which, regular employees)	1,655	81.4%	1,614	79.7%	1,538	80.0%	1,474	79.6%
- Of which, managers	739	36.4%	713	35.2%	710	36.9%	709	38.3%
- Of which, non-managerial employees	916	45.1%	901	44.5%	828	43.1%	765	41.3%
(Of which, short-term contract workers)	378	18.6%	410	20.3%	385	20.0%	377	20.4%

	Fiscal 2020		Fiscal 2019		Fiscal 2018	
	Number	Percentage	Number	Percentage	Number	Percentage
Men	1,333	75.4%	1,233	75.7%	1,249	77.1%
(Of which, regular employees)	1,104	62.4%	1,080	66.3%	1,108	68.4%
- Of which, managers	682	38.6%	668	41.0%	690	42.6%
- Of which, non-managerial employees	422	23.9%	412	25.3%	418	25.8%
(Of which, short-term contract workers)	229	12.9%	153	9.4%	141	8.7%
Women	436	24.6%	396	24.3%	372	22.9%
(Of which, regular employees)	328	18.5%	306	18.8%	283	17.5%
- Of which, managers	42	2.4%	39	2.4%	42	2.6%
- Of which, non-managerial employees	286	16.2%	267	16.4%	241	14.9%
(Of which, short-term contract workers)	108	6.1%	90	5.5%	89	5.5%
Total	1,769	100.0%	1,629	100.0%	1,621	100.0%
(Of which, regular employees)	1,432	80.9%	1,386	85.1%	1,391	85.8%
- Of which, managers	724	40.9%	707	43.4%	732	45.2%
- Of which, non-managerial employees	708	40.0%	679	41.7%	659	40.7%
(Of which, short-term contract workers)	337	19.1%	243	14.9%	230	14.2%



Workforce profile, by age bracket (As of April 1, 2024)

	Total		20-29		30-39		40-49		50-59		60 and over	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Men	1,447	71.2%	214	58.0%	407	67.8%	238	70.4%	429	78.3%	159	89.3%
Women	586	28.8%	155	42.0%	193	32.2%	100	29.6%	119	21.7%	19	10.7%
Total	2,033	100%	369	100%	600	100%	338	100%	548	100%	178	100%

Percentage of female managers (As of the beginning of each fiscal year)

	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018
Female employees as percentage of all employees	28.8%	28.2%	27.1%	26.0%	24.6%	24.3%	22.9%
Female subsection chiefs as percentage of all subsection chiefs	30.0%	27.7%	23.9%	21.1%	20.3%	16.9%	15.9%
Female managers as percentage of all managers	8.1%	7.3%	7.2%	6.6%	5.8%	5.8%	5.5%
Female junior managers as percentage of all junior managers	17.6%	17.3%	17.5%	17.4%	15.6%	15.9%	14.4%
Female middle managers as percentage of all middle managers	4.9%	3.8%	4.0%	4.7%	4.3%	3.2%	3.0%
Female senior managers as percentage of all senior managers	2.6%	2.6%	2.3%	1.1%	0.4%	0.4%	0.0%
Female non-back office managers as percentage of all non-back office managers	7.8%	6.8%	7.0%	6.4%	5.1%	5.1%	6.8%
Female employees in STEM-related positions as percentage of total STEM positions		26.4%	26.5%	26.4%	26.4%	-	-

Percentage of employees by nationality (As of the beginning of each fiscal year)

	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018
Percentage of all full time employees by nationality							
- Japan	99.4%	99.4%	99.5%	99.6%	99.7%	99.6%	99.6%
- Other	0.6%	0.6%	0.5%	0.4%	0.3%	0.4%	0.4%
Total	1,655	1,614	1,538	1,474	1,432	1,386	1,391
Percentage of managers by nationality							
- Japan	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
- Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	739	713	710	709	724	707	732



New hires and people leaving the company (As of the beginning of each fiscal year)

	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018
New employees (new graduate hires and mid-career hires)	48	104	94	92	80	58	53
(Breakdown by gender)							
- Male percentage	56.3%	64.4%	63.8%	68.5%	71.3%	51.7%	71.7%
- Female percentage	43.8%	35.6%	36.2%	31.5%	28.8%	48.3%	28.3%
(Breakdown by age)							
- Percentage of < 30 years old	100.0%	64.4%	53.2%	65.2%	60.0%	63.8%	66.0%
- Percentage of 30-50 years old	0.0%	34.6%	46.8%	34.8%	38.8%	36.2%	34.0%
- Percentage of > 50 years old	0.0%	0.0%	0.0%	0.0%	1.3%	0.0%	0.0%
(Breakdown by nationality)							
- Percentage of Japanese nationality	97.9%	100.0%	96.8%	97.8%	96.3%	98.3%	100.0%
- Percentage of other nationalities	2.1%	0.0%	3.2%	2.2%	3.8%	1.7%	0.0%
(Breakdown by positions)							
- Percentage of non-managers	100.0%	98.1%	100.0%	100.0%	100.0%	100.0%	100.0%
- Percentage of junior managers	0.0%	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%
- Percentage of middle managers	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
- Percentage of senior managers	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New graduate hires	48	56	42	47	45	37	35
- Male percentage	56.3%	66.1%	64.3%	61.7%	62.2%	62.2%	68.6%
- Female percentage	43.8%	33.9%	35.7%	38.3%	37.8%	37.8%	31.4%
Mid-career hires	0	48	52	45	35	21	18
- Male percentage	0.0%	62.5%	63.5%	75.6%	82.9%	33.3%	77.8%
- Female percentage	0.0%	37.5%	36.5%	24.4%	17.1%	66.7%	22.2%
Number of employees leaving company (including those retiring at mandatory retirement age)		46	47	47	48	77	49
(Breakdown by gender)							
- Male percentage		84.8%	83.0%	89.4%	83.3%	-	-
- Female percentage		15.2%	17.0%	10.6%	16.7%	-	-
(Breakdown by age)							
- Percentage of < 30 years old		8.5%	2.1%	4.3%	2.1%	-	-
- Percentage of 30-50 years old		12.8%	10.6%	12.8%	2.1%	-	-
- Percentage of > 50 years old		76.6%	87.2%	83.0%	97.9%	-	-
(Breakdown by nationality)							
- Percentage of Japanese nationality		97.9%	97.9%	100%	100%	-	-
- Percentage of other nationalities		0%	2.1%	0%	0%	-	-
(Breakdown by positions)							
- Percentage of non-managers		23.4%	29.8%	25.5%	22.9%	-	-
- Percentage of junior managers		6.4%	17.0%	19.1%	12.5%	-	-
- Percentage of middle managers		2.1%	25.5%	34.0%	18.8%	-	-
- Percentage of senior managers		21.3%	27.7%	21.3%	45.8%	-	-
Percentage of employees voluntary turnover rate		0.7%	0.4%	0.5%	0.1%	1.2%	1.2%
Total employee turnover rate		2.8%	2.9%	3.2%	3.4%	5.6%	1.2%



Average number of years of continuous service by gender (As of the end of each fiscal year)

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018
Men	17.6	18.0	18.6	19.1	19.6	19.5
Women	12.7	13.1	13.7	14.3	15.3	16.9

* As of the end of each fiscal year

Labor union

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
Labor union members as percentage of employees *	71.9%	70.7%	70.8%	74.8%	70.3%	70.0%	71.7%

* Excluding employees in managerial positions

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
Number of labor standard infringements or allegations against the company	0	0	0	0	0	0	0

2. Diversity

Health & safety (Employee)

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Total accidents	7	2	2	1	2	1	2	Mitsubishi Estate
- Fatalities	0	0	0	0	0	0	0	
- Lost working time	0	0	0	0	0	1	0	
- Total working days lost	0	0	0	0	0	71	0	
Absentee rate	0.46%	0.62%	0.22%	0.76%	0.67%	0.94%	0.91%	Mitsubishi Estate
Injury rate	0.0023%	0.0007%	0.0008%	0.0005%	0.001%	0.0005%	0.001%	Mitsubishi Estate
Lost day incident rate* ¹	0%	0%	0%	0%	0%	2.316%	0%	Mitsubishi Estate
Lost-time injury frequency rate (LTIFR)	3.08%	0.99%	1.10%	0.63%	1.30%	0.66%	1.35%	Mitsubishi Estate
Medical examination rate	100%	100%	100%	100%	100%	97%	-	Mitsubishi Estate
Percentage of employees taking health and safety training* ²	100%	86%	91%	100%	100%	95.0%	93.2%	Mitsubishi Estate
Number of employees taking health and safety training* ²	28	31	30	25	21	19	41	Mitsubishi Estate

*¹ Total number of lost day due to injury/ Total number of actual working hours X 1,000

*² This training is provided through newly-appointed Manager Class 1 training

Employee satisfaction and customer satisfaction

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Employee satisfaction/percentage of high ratings ^{*1}	86.2%	84.5%	88.5%	86.7%	84.5%	-	-	Mitsubishi Estate
(Breakdown by age)								
- Percentage of < 30 years old	87.6%	86.2%	85.5%	-	-	-	-	
- Percentage of 30-50 years old	86.1%	87.2%	88.5%	-	-	-	-	
- Percentage of > 50 years old	85.7%	89.0%	91.9%	-	-	-	-	
(Breakdown by positions)								
- Percentage of non-managers	85.3%	86.2%	87.0%	-	-	-	-	
- Percentage of junior managers	88.5%	86.4%	86.4%	-	-	-	-	
- Percentage of middle managers	94.4%	89.9%	95.5%	-	-	-	-	
- Percentage of senior managers	80.8%	87.2%	94.1%	-	-	-	-	
Overall customer satisfaction with sales/percentage of high ratings ^{*2}	92.0%	89.9%	87.3%	86.7%	86.4%	82.6%	-	Mitsubishi Estate Residence

*1 Percentage of employees answering "Yes" to the question "Do you feel your job is rewarding?" on an employee questionnaire

*2 Up to fiscal 2018: percentage of ratings in top 2 out of 7 evaluation levels; From fiscal 2019: percentage of ratings in top 2 out of 5 evaluation levels

Number of employees using personnel programs

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Unit	Boundary
Number of employees taking childcare leave of absence	160	230	217	151	116	109	-	people	5 Group companies ^{*1}
Number of employees taking nursing care leave of absence	2	1	3	2	0	0	-	people	5 Group companies ^{*1}
Number of employees working shorter hours for childcare and nursing care	173	145	143	120	108	126	-	people	5 Group companies ^{*1}
Number of employees using volunteer leave	8	15	0	0	10	28	8	Total number of people	Mitsubishi Estate
Number of employees using social learning ^{*2}	13	9	0	0	0	1	7	Total number of people	Mitsubishi Estate
Number of employees using volunteer insurance	72	103	46	1	12	2	8	Total number of people	Mitsubishi Estate Group
Number of employees using subsidies for volunteering	18	70	42	8	17	16	36	Total number of people	Mitsubishi Estate Group
Number of employees using subsidy program for travel expenses to volunteer in disaster-affected areas ^{*2}	5	0	0	0	3	5	10	Total number of people	Mitsubishi Estate Group

*1 Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Estate Residence, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services

*2 Program that allows volunteering during working hours

Human resource development

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Unit	Boundary
Training time per employee per year	9.9	9.2	8.1	8.2	7.6	8.7	hours per year	Mitsubishi Estate
Training cost per employee per year	96,693	96,467	85,668	75,648	84,482	127,989	yen per year	Mitsubishi Estate



Human rights

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Unit	Boundary
Allegations concerning human rights and harassment	0	0	0	0	0	0	0	cases	Mitsubishi Estate
Annual total hours of human rights training at Mitsubishi Estate Group	50,220	33,400	142,230	110,940	169,090	204,080	185,025	minutes	Mitsubishi Estate
Annual total number of companies taking human rights training at Mitsubishi Estate Group	75	25	59	29	23	22	34	number	Mitsubishi Estate
Annual total participants of human rights training at Mitsubishi Estate Group	588	371	1,019	1,600	1,018	1,891	544	people	Mitsubishi Estate
Annual total hours of human rights training at Mitsubishi Estate	172,830	33,700	129,460	54,790	35,650	101	105	minutes	Mitsubishi Estate
Annual total participants of human rights training at Mitsubishi Estate	2,354	368	1,433	608	308	1,116	894	people	Mitsubishi Estate

Percentage of employees taking training programs (Mitsubishi Estate)

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017
Percentage of employees taking sexual harassment prevention training	90.0%	91.9%	94.0%	89.4%	97.5%	100%	-
Newly-appointed Manager Class 1 training	100.0%	86.1%	90.9%	100%	100%	95.0%	93.2%

Resilience

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Rate of buildings that are to take in stranded commuters ^{*1}	100.0%	100.0%	100.0%	92.3%	92.3%	92.3%	Newly constructed ^{*2} , large-scale ^{*3} office buildings and commercial facilities in Japan

*1 Facilities that have signed an agreement with the government to accept stranded commuters and facilities that have voluntarily formulated a policy and plan for accepting stranded commuters.

*2 Completed in 2002 onward

*3 Floor area: 100,000m² or more

Annual salary of employees (Mitsubishi Estate)

	Fiscal 2023		Fiscal 2022		Fiscal 2021		Fiscal 2020	
	Amount (yen)	Number of people	Amount (yen)	Number of people	Amount (yen)	Number of people	Amount (yen)	Number of people
Average annual salary of employees	12,732,428	1,184	12,463,090	1,091	12,647,559	1,053	12,675,663	953

	Fiscal 2019		Fiscal 2018		Fiscal 2017	
	Amount (yen)	Number of people	Amount (yen)	Number of people	Amount (yen)	Number of people
Average annual salary of employees	12,735,234	903	12,476,724	899	12,290,437	806



Gender Pay Gap

	Fiscal 2023	Fiscal 2022	Boundary
Mean gender pay gap of all employees	53.00%	52.20%	Mitsubishi Estate
Mean gender pay gap of full-time employees	56.00%	55.80%	Mitsubishi Estate
Mean gender pay gap of part-time and non-permanent workers	42.90%	44.80%	Mitsubishi Estate

3. Supply chain management related data

Supplier code of code distributed

	FY2023	FY2022	Boundary
Construction companies	100%	100%	Mitsubishi Estate, Mitsubishi Estate Residence
Cleaning companies	100%	100%	Mitsubishi Jisho Property Management, Royal Park Hotels & Resorts, Mitsubishi Jisho Community

SAQ (Self-Assessment Questionnaire)

	FY2023	Boundary	FY2022	Boundary
Construction companies				
Mitsubishi Estate (Projects)	3	23	3	20
- Tier 1 suppliers	3		3	
- Tier 2 suppliers	7		20	
- Tier 3 suppliers	6		14	
Mitsubishi Estate Residence (Projects)	2	27	2	24
- Tier 1 suppliers	2		2	
- Tier 2 suppliers	2		3	
- Tier 3 suppliers	2		1	
Cleaning companies				
Mitsubishi Jisho Property Management				
- Tier 1 suppliers	1	19	3	19
- Tier 2 suppliers	1		6	
Royal Park Hotel & Resorts				
- Tier 1 suppliers	1	12	1	12
- Tier 2 suppliers	1		3	
Mitsubishi Jisho Community				
- Tier 1 suppliers	0	2	1	2
- Tier 2 suppliers	0		3	



ESG Data

G: Governance data

E: Environmental data

S: Social data

G: Governance data

G: Governance data

(1) KPI

1. Corporate Governance

	Targets	Target year	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Attendance at Board of Directors meetings	100%	Fiscal 2030 ongoing goal	99%	100%	100%	100%	99.3%	100%	Mitsubishi Estate

2. Risk Management and Compliance

	Targets	Targets year	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Boundary
Compliance e-learning attendance	100%	Fiscal 2030 ongoing goal	99.3%	99.0%	99.6%	100%	98.3%	97.8%	Mitsubishi Estate*

* Excludes advisors and dispatched employees. Outside Directors included.

(2) Other

1. Corporate Governance

I) Attendance at Board of Directors and Each Committee Meetings (Fiscal 2023)

* Name, attendance and attendance percentage for chairman of each committee meeting in blue

	Title	Name	Outside director	The Board of Directors		Audit Committee		Nominating Committee		Remuneration Committee	
				Attendance	Attendance percentage	Attendance	Attendance percentage	Attendance	Attendance percentage	Attendance	Attendance percentage
1	Chairman of the Board	Junichi Yoshida		9/9	(100%)	-	-	-	-	-	-
2	Director	Atsushi Nakajima		9/9	(100%)	-	-	-	-	-	-
3	Director	Bunroku Naganuma		7/7	(100%)	-	-	-	-	-	-
4	Director	Naoki Umeda		9/9	(100%)	-	-	-	-	-	-
5	Director	Mikihito Hirai		7/7	(100%)	-	-	-	-	-	-
6	Director	Noboru Nishigai		9/9	(100%)	15/15	(100%)	-	-	-	-
7	Director	Hiroshi Katayama		9/9	(100%)	15/15	(100%)	-	-	-	-
8	Director	Tsuyoshi Okamoto	○	8/9	(89%)	-	-	5/5	(100%)	6/6	(100%)
9	Director	Tetsuo Narukawa	○	9/9	(100%)	15/15	(100%)	-	-	-	-
10	Director	Masaaki Shirakawa	○	9/9	(100%)	-	-	5/5	(100%)	6/6	(100%)
11	Director	Shin Nagase	○	9/9	(100%)	15/15	(100%)	-	-	-	-
12	Director	Wataru Sueyoshi	○	7/7	(100%)	12/12	(100%)	-	-	-	-
13	Director	Ayako Sonoda	○	7/7	(100%)	-	-	5/5	(100%)	4/4	(100%)
14	Director	Melanie Brock	○	9/9	(100%)	-	-	5/5	(100%)	6/6	(100%)
Total				117/118	(99%)	72/72	(100%)	20/20	(100%)	22/22	(100%)

* As Wataru Sueyoshi took office as Director on June 29, 2023, the number of meetings counted as the scope of attendance for the Board of Directors meetings, etc., is different from that of the other Directors.

* As Ayako Sonoda took office as Director on June 29, 2023, the number of meetings counted as the scope of attendance for the Board of Directors meetings, etc., is different from that of the other Directors.

II) Remuneration

Remuneration of Directors and Corporate Executive Officers

	Fiscal 2023					Fiscal 2022				
	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)
Directors	520	-	520	14	37	503	-	503	13	39
- In-house Director	377	-	377	5	75	360	-	360	5	72
- Outside Director	143	-	143	9	16	143	-	143	8	18
Executive officers	614	882	1,496	16	94	569	659	1,228	14	88

	Fiscal 2021					Fiscal 2020				
	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)
Directors	365	-	369	11	34	365	-	365	10	37
- In-house Director	257	-	261	4	65	257	-	257	3	86
- Outside Director	108	-	108	7	15	108	-	108	7	15
Executive officers	622	517	1,139	16	71	620	545	1,166	15	78

	Fiscal 2019					Fiscal 2018				
	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)	Fixed remuneration (millions of yen)	Performance-based remuneration (millions of yen)	Total (millions of yen)	Number of target persons	Average per person (millions of yen)
Directors	368	-	368	11	33	397	-	397	12	33
- In-house Director	260	-	260	3	87	289	-	289	4	72
- Outside Director	108	-	108	8	14	107	-	107	8	13
Executive officers	551	529	1,081	13	83	568	573	1,142	14	82



Remuneration paid to Chairman of the Board and CEO

	Fiscal 2023			Fiscal 2022			Fiscal 2021		
	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)
Chairman of the Board	177	-	187	138	-	138	138	-	138
CEO	79	98	178	79	75	159	79	79	159

	Fiscal 2020			Fiscal 2019			Fiscal 2018		
	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)	Monetary remuneration (millions of yen)	Stock remuneration (millions of yen)	Total (millions of yen)
Chairman of the Board	138	-	138	138	-	138	141	-	141
CEO	79	79	159	79	86	166	79	82	161

Number of shares of the Company held by Directors

	Title	Name	Outside director	Term of office served as Director (years)	Number of shares held (thousand)
1	Chairman of the Board	Junichi Yoshida		8	111.7
2	Director	Atsushi Nakajima		2	66.5
3	Director	Bunroku Naganuma		1	56.1
4	Director	Naoki Umeda		2	35.3
5	Director	Mikihito Hirai		1	16.4
6	Director	Noboru Nishigai		3	29.9
7	Director	Hiroshi Katayama		8	38.6
8	Director	Masaaki Shirakawa	○	8	-
9	Director	Tetsuo Narukawa	○	6	4.4
10	Director	Tsuyoshi Okamoto	○	5	3.4
11	Director	Melanie Brock	○	2	0.8
12	Director	Wataru Sueyoshi	○	1	0.1
13	Director	Ayako Sonoda	○	1	0.7
14	Director	Naosuke Oda	○	-	-
Average			-	3.7	30.3

* As of June 27, 2024



Number of shares of the Company held by Corporate Executive Officers

	Title	Name	Number of the shares of the Company held (thousand)
1	Representative Corporate Executive Officer, President & Chief Executive Officer	Atsushi Nakajima	66
2	Representative Corporate Executive Officer, Deputy President	Kenji Hosokane	62
3	Representative Corporate Executive Officer, Deputy President	Yuji Fujioka	51
4	Representative Corporate Executive Officer, Deputy President	Bunroku Naganuma	56
5	Representative Corporate Executive Officer, Deputy President	Yutaro Yotsuzuka	42
6	Representative Corporate Executive Officer, Deputy President	Ryozo Kawabata	45
7	Senior Executive Officer	Keiji Takano	45
8	Senior Executive Officer	Toru Kimura	51
9	Senior Executive Officer	Ikuo Ono	49
10	Senior Executive Officer	Naoki Umeda	35
11	Senior Executive Officer	Haruhiko Araki	40
12	Senior Executive Officer	Masato Aikawa	34
13	Senior Executive Officer	Hirofumi Kato	26
14	Senior Executive Officer	Toru Takeda	14
15	Executive Officer	Mikito Hirai	16
Average			42.1

* As of June 27, 2024

III) Number of Directors by Gender

	Male		Female		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
In-house Director	5	35.7%	2	14.3%	7	50.0%
Outside Director	7	50.0%	0	0.0%	7	50.0%
Total	12	85.7%	2	14.3%	14	100.0%

* As of June 27, 2024



2. Risk Management and Compliance

	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Boundary
Number of consultations and reports via the Mitsubishi Estate Group help line	70	56	53	44	75	63	64	Mitsubishi Estate Group
- Number concerning discrimination	0	0	0	0	-	-	-	-
- Number concerning harassment	18	14	10	8	-	-	-	-
Number of major compliance violations (violations of Mitsubishi Estate Group Code of Conduct and Group Guidelines for Conduct and Anti-Corruption Guidelines)	0	0	0	0	0	0	0	Mitsubishi Estate Group
Fines (amount) for violations of Anti-Monopoly Act or other regulations	0	0	0	0	0	0	0	Mitsubishi Estate Group
Number of cases investigated under Anti-Monopoly Act or other regulations	0	0	0	0	0	0	0	Mitsubishi Estate Group
Number of incidents of illicit conduct related to corruption, bribery or other illicit conduct	0	0	0	0	0	0	0	Mitsubishi Estate Group
Number of cases investigated due to suspicion of corruption, bribery or other illicit conduct	0	0	0	0	0	0	0	Mitsubishi Estate Group
Number of violations related to customer privacy data	8	1	-	-	-	-	-	Mitsubishi Estate Group
Number of violations related to conflicts of interest	0	0	-	-	-	-	-	Mitsubishi Estate Group
Number of violations related to money laundering or insider trading	0	0	-	-	-	-	-	Mitsubishi Estate Group
Total number of information security breaches		0	-	-	-	-	-	Mitsubishi Estate Group
- Total number of clients, customers and employees affected by the breaches		0	-	-	-	-	-	Mitsubishi Estate Group

Amount of tax paid in each country by the Mitsubishi Estate Group

(Unit: Millions of yen)

	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019
Japan	62,183	51,054	56,025	43,264
US	5,733	5,914	692	1,184
UK	6,806	1,133	434	1,176
Singapore	321	509	132	81
Other	225	441	115	92
Total	75,270	59,050	57,398	45,797

(Unit: Millions of yen)

	Fiscal 2023	Fiscal 2022	Fiscal 2021
Non-recurring (one time) operating losses in own operations	0	0	0
Net operating losses from prior periods and/or acquired companies	2,796	2,751	4,637
Timing - net deferred tax assets/liabilities and major issues outside of the two year period reported (including accounting adjustments for prior reporting periods due to major tax policy changes)	591,941	527,001	512,372




ESG Report / ESG Data

Independent Third-Party Assurance Report

Independent Assurance

We have asked Ernst&Young ShinNihon LLC to provide assurance on the environmental data. Please refer to the following Independent Assurance Statement for detail.

FY 2023 Independent practitioner's assurance report 2023 (PDF 48KB)

[PDF](#)

FY 2023 Environmental Information (PDF 686KB)

[PDF](#)

FY 2022 Independent Assurance Report 2022 (PDF 47KB)

[PDF](#)

FY 2022 Environmental Information (PDF 379KB)

[PDF](#)

LRQA Independent Assurance Statement Relating to Mitsubishi Estate Group's Greenhouse Gas Emissions and Environmental Data for the fiscal year 2021 (PDF 202KB)

[PDF](#)

Assurance Statement related to GHG Emissions Report 2020 (PDF 560KB)

[PDF](#)

Statement relating to Environmental Data 2020 (PDF 596KB)

[PDF](#)

Assurance Statement Related to GHG Emissions Report 2019 (PDF 160KB)

[PDF](#)

Statement Relating to Environmental Data 2019 (PDF 307KB)

[PDF](#)

The two PDFs for FY 2022 are English translations of an Independent Assurance Report and Environmental Information, originally prepared in Japanese. They are provided for information and reference purposes only. In the event of a discrepancy between the Japanese and English versions, the Japanese version will prevail.

* In FY2020 and FY2021, we obtained a guarantee from Lloyd's Register Quality Assurance Limited.



External Evaluations of ESG Performance

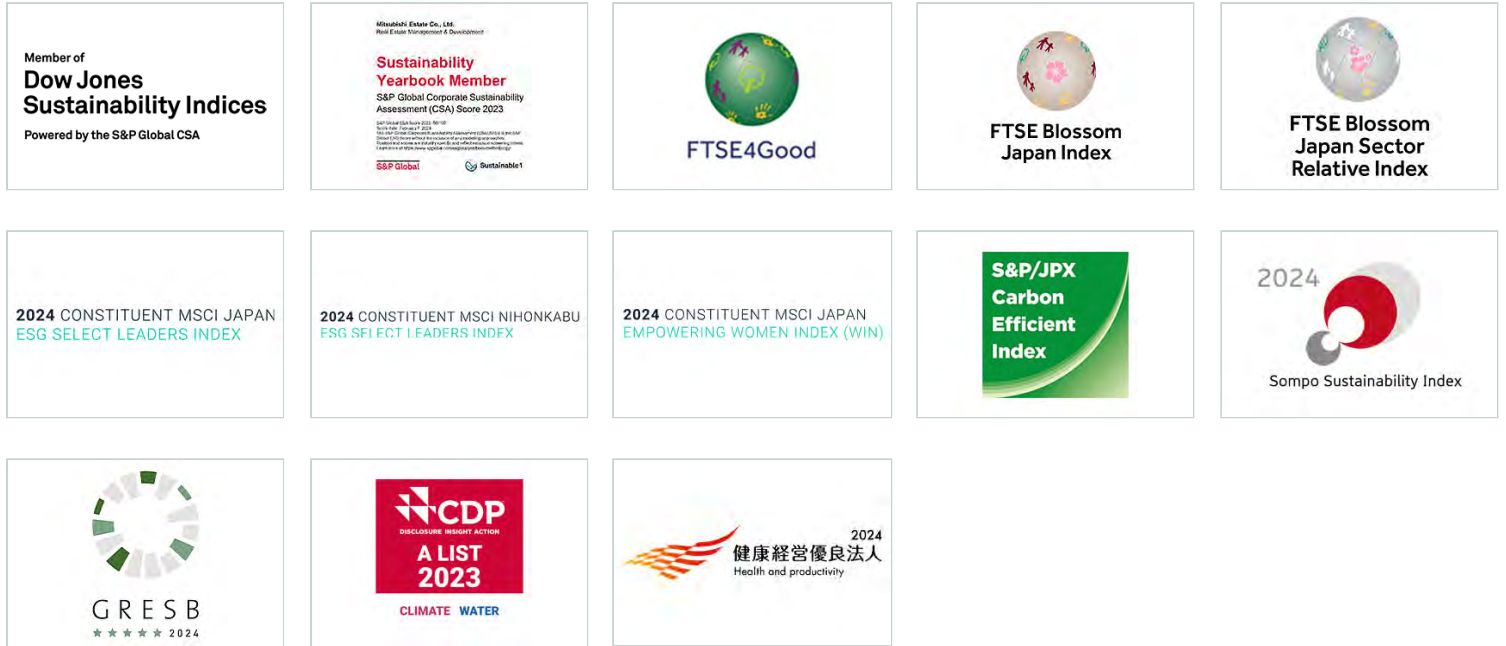
ESG Index Inclusion and External Evaluations

Mitsubishi Estate has been selected for inclusion in the following environmental, social and governance (ESG) indices for socially responsible investment (as of October 2024).

- Dow Jones Sustainability Asia Pacific Index, 4th consecutive year
- S&P Global Sustainability Yearbook Member 2024
- FTSE4Good Global Index, 23rd consecutive year
- FTSE Blossom Japan Index, 8th consecutive year (Adopted by GPIF)
- FTSE Blossom Japan Sector Relative Index, 3rd consecutive year (Adopted by GPIF)
- MSCI Japan ESG Select Leaders Index, 8th consecutive year
- MSCI NIHONKABU ESG Select Leaders Index (Adopted by GPIF in March 2024)
- MSCI Japan Empowering Women Select Index, 7th consecutive year (Adopted by GPIF)
- S&P/JPX Carbon Efficient Index, 7th consecutive year (Adopted by GPIF)
- Morningstar Japan ex-REIT Gender Diversity Tilt Index (Adopted by GPIF)
- SOMPO Sustainability Index, 13th consecutive year
- GRESB Public Disclosure, 7th consecutive year
- 2024 GRESB Real Estate Assessment
 - 5 Stars, the highest rating in GRESB Standing Investments Benchmark^{*1} (5th consecutive year)
 - 4 Stars, the highest rating in GRESB Development Benchmark^{*2}
- *1 Assessment of the performance of standing investment portfolio
- *2 Assessment of the new construction and major renovation portfolio
- Score: A, CDP Climate Change 2023 Questionnaire
- Score: A, CDP Water Security 2023 Questionnaire
- Score: B CDP Forests 2023 Questionnaire
- CDP2023 Supplier Engagement Leader
- Certified in 2024 as Outstanding Health and Productivity Management Organization



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



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INDEX (GRI • SASB • TCFD, etc.)

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GRI Standards Content Index

Statement of use	The Mitsubishi Estate Group has reported in accordance with the GRI Standards for the period from April 1, 2023 to March 31, 2024.
Title of GRI 1 used	GRI 1: Foundation 2021

GRI standards	Requirements	Page
GRI 2: General Disclosures 2021	2-1 Organizational details	→ About US > Company Profile
	2-2 Entities included in the organization's sustainability reporting	→ Editorial Policy
	2-3 Reporting period, frequency and contact point	→ Editorial Policy
	2-4 Restatements of information	Not applicable
	2-5 External assurance	→ ESG Report / ESG Data > Independent Third-Party Assurance Report
	2-6 Activities, value chain and other business relationships	→ Business Introduction
	2-7 Employees	→ ESG Report / ESG Data > ESG Data > S: Social data > Human Resources
		→ Securities Report > (5) Status of Human Resource (Japanese only)
	2-8 Workers who are not employees	→ ESG Report / ESG Data > ESG Data > S: Social data > Human Resources
2-9 Governance structure and composition	→ IR Information > Corporate Governance > Corporate Governance System	
	→ Corporate Governance Report > II Overview of Business Management Organization and Other Corporate Governance Systems Related to Managerial Decision-Making, Business Execution, and Management Supervision	



GRI standards	Requirements	Page
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	<ul style="list-style-type: none"> → IR Information > Corporate Governance > Corporate Governance System > Reasons for the Appointment of Corporate Executive Officers ☞ → Corporate Governance Report > II Overview of Business Management Organization and Other Corporate Governance Systems Related to Managerial Decision-Making, Business Execution, and Management Supervision PDF → Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3 > Chapter IV: Directors and Corporate Executive Officers PDF
	2-11 Chair of the highest governance body	<ul style="list-style-type: none"> → Corporate Governance > Corporate Governance System ☞ → IR Information > Corporate Governance ☞ → Corporate Governance Report > II Overview of Business Management Organization and Other Corporate Governance Systems Related to Managerial Decision-Making, Business Execution, and Management Supervision PDF
	2-12 Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> → IR Information > Corporate Governance > Corporate Governance System ☞ → Corporate Governance Report > II Overview of Business Management Organization and Other Corporate Governance Systems Related to Managerial Decision-Making, Business Execution, and Management Supervision PDF
	2-13 Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> → Sustainability Management > Governance
	2-14 Role of the highest governance body in sustainability reporting	<ul style="list-style-type: none"> → Sustainability Management > Governance
		<ul style="list-style-type: none"> → Environment > Promotion System → Information Disclosure Based on TCFD Recommendations > (1) Governance PDF
	2-15 Conflicts of interest	<ul style="list-style-type: none"> → Corporate Governance Report > III Status of Implementation of Measures Related to Shareholders and Other Stakeholders PDF
		<ul style="list-style-type: none"> → Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P5 PDF
	2-16 Communication of critical concerns	<ul style="list-style-type: none"> → Risk Management > System for Promoting Risk Management
		<ul style="list-style-type: none"> → Compliance > Reinforcing Compliance
	2-17 Collective knowledge of the highest governance body	<ul style="list-style-type: none"> → Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P4 > Article 17: Training for Directors and Corporate Executive Officers; PDF
		<ul style="list-style-type: none"> → P6 > Exhibit 1: Appointment Standards for Candidates for Directors PDF



GRI standards	Requirements	Page
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	→ IR Information > Corporate Governance > Corporate Governance System
		→ IR Information > Corporate Governance > Initiatives to Strengthen Corporate Governance > Evaluation of the Effectiveness of the Board of Directors
	2-19 Remuneration policies	→ Securities Report > (4) Remuneration of Directors, etc. (Japanese only) PDF
		→ Corporate Governance Report > Disclosed Policy for Deciding the Amounts or Calculation Method of Remuneration PDF
		→ IR Information > Corporate Governance > Remuneration > Revision of the Remuneration System
		→ Mitsubishi Estate Co., Ltd. Corporate Governance Guidelines P3 > Article 11: Remuneration Committee; P9 > Policy Concerning Decisions on the Details of Remuneration, etc. for each Director and Corporate Executive Officer PDF
	2-20 Process to determine remuneration	→ Securities Report > (4) Remuneration of Directors, etc. (Japanese only) PDF
		→ IR Information > Corporate Governance > Remuneration > Revision of the Remuneration System
	2-21 Annual total compensation ratio	-
	2-22 Statement on sustainable development strategy	→ Messages > Message from the President
	2-23 Policy commitments	→ Sustainability Management > Mitsubishi Estate Group ESG-Related Rules and Policies
		→ Social > Human Rights Initiatives
		→ Environment > Basic Policy and Goals > Mitsubishi Estate Group Basic Environmental Policy
	2-24 Embedding policy commitments	→ Sustainability Management > Mitsubishi Estate Group ESG-Related Rules and Policies
	2-25 Processes to remediate negative impacts	→ Governance > Compliance
2-26 Mechanisms for seeking advice and raising concerns	→ Governance > Compliance	
	→ Social > Human Rights Initiatives	
2-27 Compliance with laws and regulations	→ Governance > Compliance	
2-28 Membership associations	→ Sustainability Management > Stakeholder Engagement > Partnerships with Outside Organizations	



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GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	→ Sustainability Management > Stakeholder Engagement
		→ Sustainability Management > Stakeholder Engagement > FY2023 Stakeholder Dialog Details
		→ Employment and Labor Relations > Promotion of Dialogue with Employees and Labor Union
		→ Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes
		→ IR Information > Corporate Governance > other initiatives
	2-30 Collective bargaining agreements	→ Social > Human Rights Initiatives
→ Social > Employment and Labor Relations		
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	→ Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes > Background to Definition of Key Themes
		→ Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes > Review Process for Key Themes
	3-2 List of material topics	→ Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes > Background to Definition of Key Themes
	3-3 Management of material topics	→ Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes > Background to Definition of Key Themes



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Economic Performance		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	→ ESG Report / ESG Data > ESG Data > S: Social data
		→ Securities Report (Japanese only) PDF
	201-2 Financial implications and other risks and opportunities due to climate change	→ ESG Report / ESG Data > Environment > Information Disclosure Based on TCFD Recommendations
		→ ESG Report / ESG Data > Social > Employment and Labor Relations > Retirement Allowance Program
201-3 Defined benefit plan obligations and other retirement plans	→ Securities Report (Japanese only) PDF	
201-4 Financial assistance received from government	-	
Market Presence		
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	→ ESG Report / ESG Data > Social > Employment and Labor Relations > Payment of Fair Wages
	202-2 Proportion of senior management hired from the local community	-
Indirect Economic Impacts		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	→ ESG Report / ESG Data > Environment
		→ ESG Report / ESG Data > Social > Social Contribution Activities / Support for Communities > Building Communities
	203-2 Significant indirect economic impacts	→ Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes > Urban Development and Services
203-2 Significant indirect economic impacts	-	
Procurement Practices		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	→ ESG Report / ESG Data > Social > Supply Chain Management
		→ ESG Report / ESG Data > ESG Data > S: Social data > (2) Other > 3. Supply chain management related data



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Anti-corruption		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	→ ESG Report / ESG Data > Governance > Compliance > Reinforcing Compliance
		→ ESG Report / ESG Data > Governance > Risk Management > Risk Management Initiatives
		→ ESG Report / ESG Data > ESG Data > G: Governance data > 2. Risk Management and Compliance
	205-2 Communication and training about anti-corruption policies and procedures	→ ESG Report / ESG Data > Governance > Compliance > Reinforcing Compliance
		→ ESG Report / ESG Data > Governance > Risk Management > Risk Management Initiatives
		→ ESG Report / ESG Data > ESG Data > G: Governance data
205-3 Confirmed incidents of corruption and actions taken	→ ESG Report / ESG Data > Governance > Compliance > Reinforcing Compliance	
	→ ESG Report / ESG Data > ESG Data > G: Governance data	
Anti-competitive Behavior		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	→ ESG Report / ESG Data > Governance > Compliance > Reinforcing Compliance
		→ ESG Report / ESG Data > ESG Data > G: Governance data
Tax		
GRI 207: Tax 2019	207-1 Approach to tax	→ ESG Report / ESG Data > Governance > Tax Transparency > Policy on Tax Transparency
	207-2 Tax governance, control, and risk management	→ ESG Report / ESG Data > Governance > Tax Transparency > Governance System
	207-3 Stakeholder engagement and management of concerns related to tax	→ ESG Report / ESG Data > Governance > Tax Transparency > Governance System
	207-4 Country-by-country reporting	→ ESG Report / ESG Data > ESG Data > G: Governance data
Materials		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	301-2 Recycled input materials used	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	301-3 Reclaimed products and their packaging materials	→ ESG Report / ESG Data > ESG Data > E: Environmental data



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Energy		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	302-2 Energy consumption outside of the organization	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	302-3 Energy intensity	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	302-4 Reduction of energy consumption	→ ESG Report / ESG Data > ESG Data > E: Environmental data
		→ ESG Report / ESG Data > Environment > Climate Change Strategies > Energy Management Initiatives
302-5 Reductions in energy requirements of products and services	→ ESG Report / ESG Data > Environment > Climate Change Strategies > Energy Management Initiatives	
	→ ESG Report / ESG Data > ESG Data > E: Environmental data	
	→ Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes > The Global Environment > Related Initiatives	
Water and Effluents		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	→ ESG Report / ESG Data > Environment > Conserving Water Resources
	303-2 Management of water discharge-related impacts	→ ESG Report / ESG Data > Environment > Conserving Water Resources
		→ ESG Report / ESG Data > Environment > Reducing Waste and Preventing Pollution
	303-3 Water withdrawal	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	303-4 Water discharge	→ ESG Report / ESG Data > ESG Data > E: Environmental data
303-5 Water consumption	→ ESG Report / ESG Data > ESG Data > E: Environmental data	



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Biodiversity		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	→ ESG Report / ESG Data > Environment > Preserving Biodiversity
	304-2 Significant impacts of activities, products, and services on biodiversity	→ ESG Report / ESG Data > Environment > Preserving Biodiversity 1. We employ IPM (integrated pest management) to control pests in green areas and endeavor to reduce the amount of chemicals sprayed and minimize their effects. 2. We monitor biodiversity in the wider Marunouchi area regularly and publish the results in the "Biodiversity in Marunouchi" handbook. 3. Mitsubishi Estate Residence implements the BIO NET INITIATIVE, a greening project aimed at preserving biodiversity, in an effort to carry out biodiversity-conscious residential development.
	304-3 Habitats protected or restored	→ ESG Report / ESG Data > Environment > Preserving Biodiversity > Obtained First Natural Symbiosis Site Certification for Hotoria Square
		→ ESG Report / ESG Data > Environment > Preserving Biodiversity > Working to Improve the Waterfront Environment and Preserve the Ecosystem of the Imperial Palace Moat
		→ ESG Report / ESG Data > Environment > Preserving Biodiversity > Sunshine Aquarium Coral Conservation Activities
		→ ESG Report / ESG Data > Environment > Preserving Biodiversity > Nature-Positive Activities in Minakami, Gunma Prefecture
	→ ESG Report / ESG Data > Environment > Preserving Biodiversity > Conservation and Protection Activities to Pass Down the Nature of Miyakojima, Okinawa Prefecture to the Next Generation	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	→ ESG Report / ESG Data > Environment > Preserving Biodiversity > Working to Improve the Waterfront Environment and Preserve the Ecosystem of the Imperial Palace Moat



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Emissions		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	305-2 Energy indirect (Scope 2) GHG emissions	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	305-3 Other indirect (Scope 3) GHG emissions	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	305-4 GHG emissions intensity	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	305-5 Reduction of GHG emissions	→ ESG Report / ESG Data > ESG Data > E: Environmental data
		→ ESG Report / ESG Data > Independent Third-Party Assurance Report
	305-6 Emissions of ozone-depleting substances (ODS)	-
305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	→ ESG Report / ESG Data > ESG Data > E: Environmental data	
Waste		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	→ ESG Report / ESG Data > Environment > Reducing Waste and Preventing Pollution
	306-2 Management of significant waste-related impacts	→ ESG Report / ESG Data > Environment > Reducing Waste and Preventing Pollution
	306-3 Waste generated	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	306-4 Waste diverted from disposal	→ ESG Report / ESG Data > ESG Data > E: Environmental data
	306-5 Waste directed to disposal	→ ESG Report / ESG Data > ESG Data > E: Environmental data
Supplier Environmental Assessment		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	→ ESG Report / ESG Data > Social > Supply Chain Management > Notification in and outside of the Group on the Supplier Code of Conduct
		→ ESG Report / ESG Data > Environment > Promoting Acquisition of Sustainability Certifications > Environmental Design Policies and Incentive Programs
	308-2 Negative environmental impacts in the supply chain and actions taken	→ ESG Report / ESG Data > Social > Supply Chain Management

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Employment		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	→ ESG Report / ESG Data > ESG Data > S: Social data
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Life insurance, compensation for illness and disabilities, retirement benefits, employee stock ownership plan, housing assistance, etc. (Scope: Mitsubishi Estate) → ESG Report / ESG Data > Social > Promoting Diversity > Various Programs for Work-Life Integration
	401-3 Parental leave	→ ESG Report / ESG Data > ESG Data > S: Social data → ESG Report / ESG Data > Social > Promoting Diversity
Labor/Management Relations		
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Although here are no written rules and they can differ depending on the details, the minimum notice period is two weeks, and major events such as those accompanying a change in work regulations may require a period of over one month. (Scope: Mitsubishi Estate)
Occupational Health and Safety		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	→ ESG Report / ESG Data > Social > Occupational Health and Safety / Health Management
	403-2 Hazard identification, risk assessment, and incident investigation	→ ESG Report / ESG Data > Social > Occupational Health and Safety / Health Management
	403-3 Occupational health services	→ ESG Report / ESG Data > Social > Occupational Health and Safety / Health Management
	403-4 Worker participation, consultation, and communication on occupational health and safety	→ ESG Report / ESG Data > Social > Occupational Health and Safety / Health Management
	403-5 Worker training on occupational health and safety	→ ESG Report / ESG Data > Social > Occupational Health and Safety / Health Management
	403-6 Promotion of worker health	→ ESG Report / ESG Data > Social > Occupational Health and Safety / Health Management
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	→ ESG Report / ESG Data > Social > Occupational Health and Safety / Health Management
	403-8 Workers covered by an occupational health and safety management system	→ Editorial Policy
	403-9 Work-related injuries	→ ESG Report / ESG Data > Social > Occupational Health and Safety / Health Management
		→ ESG Report / ESG Data > ESG Data > S: Social data
403-10 Work-related ill health	→ ESG Report / ESG Data > Social > Occupational Health and Safety / Health Management	
	→ ESG Report / ESG Data > ESG Data > S: Social data	

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Training and Education		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	→ ESG Report / ESG Data > Social > Human Capital > Initiatives for Human Resource Development → ESG Report / ESG Data > ESG Data > S: Social data
	404-3 Percentage of employees receiving regular performance and career development reviews	→ ESG Report / ESG Data > Social > Human Capital > Initiatives for Human Resource Development
Diversity and Equal Opportunity		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	→ ESG Report / ESG Data > ESG Data > S: Social data
		→ IR Information > Corporate Governance > Corporate Governance System 
		→ ESG Report / ESG Data > Social > Promoting Diversity
	405-2 Ratio of basic salary and remuneration of women to men	→ ESG Report / ESG Data > Social > Employment and Labor Relations > Equitable Salary System
		→ ESG Report / ESG Data > ESG Data > S: Social data → Securities Report > Status of Human Resource(Japanese only) 
Non-discrimination		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	→ ESG Data > G: Governance data > 2. Risk Management and Compliance
		→ ESG Report / ESG Data > Governance > Compliance
		→ ESG Report / ESG Data > Social > Human Rights Initiatives
Freedom of Association and Collective Bargaining		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	→ ESG Report / ESG Data > Social > Human Rights Initiatives > Policy on Human Rights
		→ ESG Report / ESG Data > Social > Human Rights Initiatives > Initiatives for Human Rights Due Diligence
		→ ESG Report / ESG Data > Social > Supply Chain Management > Notification in and outside of the Group on the Supplier Code of Conduct



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Child Labor		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	<ul style="list-style-type: none"> → ESG Report / ESG Data > Social > Supply Chain Management > Establishment of Mitsubishi Estate Group Supplier Code of Conduct → ESG Report / ESG Data > Social > Supply Chain Management > Notification in and outside of the Group on the Supplier Code of Conduct → ESG Report / ESG Data > Social > Human Rights Initiatives > Policy on Human Rights → ESG Report / ESG Data > Social > Human Rights Initiatives > Initiatives for Human Rights Due Diligence
Forced or Compulsory Labor		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	<ul style="list-style-type: none"> → ESG Report / ESG Data > Social > Supply Chain Management > Establishment of Mitsubishi Estate Group Supplier Code of Conduct → ESG Report / ESG Data > Social > Supply Chain Management > Notification in and outside of the Group on the Supplier Code of Conduct → ESG Report / ESG Data > Social > Supply Chain Management > Conducting Self-assessment Questionnaire (SAQ) on Suppliers with High Sustainability Risk → ESG Report / ESG Data > Social > Human Rights Initiatives > Policy on Human Rights → ESG Report / ESG Data > Social > Human Rights Initiatives > Initiatives for Human Rights Due Diligence
Security Practices		
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	-
Rights of Indigenous Peoples		
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	<p>When considering business activities in Asia, where there are numerous cases of human rights violations, the Group will conduct corporate human rights due diligence in the area using checklists to confirm whether there are any issues such as forced evictions. The results will be used in decision-making when participating in business activities. These checks are performed based on the concept of Free, Prior and Informed Consent (FPIC), with special attention given to women, children, the elderly, indigenous people, migrants, ethnic and tribal minorities, and other socially-vulnerable individuals and groups particularly susceptible to human rights violations.</p>



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Local Communities		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	→ ESG Report / ESG Data > Social > Social Contribution Activities / Support for Communities → Sustainability of the Mitsubishi Estate Group and Society: Four Key Themes > Urban Development and Services > Related Initiatives
	413-2 Operations with significant actual and potential negative impacts on local communities	-
Supplier Social Assessment		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	→ ESG Report / ESG Data > Social > Supply Chain Management > Notification in and outside of the Group on the Supplier Code of Conduct
	414-2 Negative social impacts in the supply chain and actions taken	→ ESG Report / ESG Data > Social > Supply Chain Management > Conducting Self-assessment Questionnaire (SAQ) on Suppliers with High Sustainability Risk
Public Policy		
GRI 415: Public Policy 2016	415-1 Political contributions	-
Customer Health and Safety		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	→ ESG Report / ESG Data > Social > Enhancing Customer Satisfaction > Responsible Advertising Activities
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No applicable incidents.
Marketing and Labeling		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	→ ESG Report / ESG Data > Social > Enhancing Customer Satisfaction > Responsible Advertising Activities
	417-2 Incidents of non-compliance concerning product and service information and labeling	No applicable incidents.
	417-3 Incidents of non-compliance concerning marketing communications	No applicable incidents.
Customer Privacy		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	→ ESG Report / ESG Data > ESG Data > G: Governance data



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Information Disclosure in Accordance with the SASB Standards

Information Disclosure Based on SASB Standard

The SASB (Sustainability Accounting Standard Boards) Foundation was founded in 2011 as a not-for-profit with the mission to establish and maintain industry-specific standards that assist companies in disclosing financially material, decision-useful sustainability information to investors.

SASB has developed a set of 77 industry-specific standards (SASB Standard) since it was founded in 2011.

SASB standards can help investors by encouraging reporting that is comparable, consistent, and financially material, thereby enabling investors to make better investment and voting decisions.

■ Note

We are applicable to "REAL ESTATE at "INFRASTRUCTURE SECTOR" according to SICs®, and we disclose the following information based on the standard of this sector.



■ Sustainability Disclosure Topics & Accounting Metrics

<Energy Management>

Accounting Metrics	UNIT OF MEASURE	CODE	References
Energy consumption data coverage as a percentage of total floor area, by property subsector	Percentage (%) by floor area	IF-RE-130a.1	Environmental data > (2) Other > Basic Data on Target Properties
			Environmental data > (2) Other > 1. Climate Change (GHG Reduction and Energy Management) > GHG Emissions, Energy Use and Other Data by Type of Property
Total energy consumed by portfolio area with data coverage, percentage grid electricity, and percentage renewable, by property subsector	Mwh	IF-RE-130a.2	Environmental data > (1) KPI > 1. Climate Change (GHG Emissions, Energy Use)
			Environmental data > (2) Other > 1. Climate Change (GHG Reduction and Energy Management)
Like-for-like percentage change in energy consumption for the portfolio area with data coverage	%	IF-RE-130a.3	Environmental data > (2) Other > 1. Climate Change (GHG Reduction and Energy Management)
Percentage of eligible portfolio that has an energy rating and is certified to ENERGY STAR, by property subsector	Percentage (%) by floor area	IF-RE-130a.4	Environmental data > (2) Other > 5. Green Building Certification
Description of how building energy management considerations are integrated into property investment analysis and operational strategy	n/a	IF-RE-130a.5	Environment > Climate Change Strategies

<Water Management>

Accounting Metrics	UNIT OF MEASURE	CODE	References
Water withdrawal data coverage as a percentage of total floor area and floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Percentage (%) by floor area	IF-RE-140a.1	Environmental data > (2) Other > Basic Data on Target Properties
			Environmental data > (2) Other > 3. Water > Water Usage by Type of Property
Total water withdrawn by portfolio area with data coverage and percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	Thousand m ²	IF-RE-140a.2	Environmental data > (2) Other > 3. Water
Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	%	IF-RE-140a.3	Environmental data > (2) Other > 3. Water
Description of water management risks and discussion of strategies and practices to mitigate those risks	n/a	IF-RE-140a.4	Environment > Conserving Water Resources



<Management of Tenant Sustainability Impacts>

Accounting Metrics	UNIT OF MEASURE	CODE	References
Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and associated leased floor area, by property subsector	Percentage (%) by floor area	IF-RE-410a.1	-
Percentage of tenants that are separately metered or submetered for grid electricity consumption and water withdrawals, by property subsector	Percentage (%) by floor area	IF-RE-410a.2	-
Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	n/a	IF-RE-410a.3	Environment > Climate Change Strategies
			Environment > Reducing Waste and Preventing Pollution
			Environment > Conserving Water Resources

<Climate Change Adaptation>

Accounting Metrics	UNIT OF MEASURE	CODE	References
Area of properties located in 100-year flood zones, by property subsector	m ²	IF-RE-450a.1	-
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	n/a	IF-RE-450a.2	Environment > Information Disclosure Based on TCFD Recommendations

■ Activity Metrics

Accounting Metrics	UNIT OF MEASURE	CODE	References
Number of assets, by property subsector	Number	IF-RE-000.A	Environmental data > (2) Other > Basic Data on Target Properties
Leasable floor area, by property subsector*	m ²	IF-RE-000.B	Environmental data > (2) Other > Basic Data on Target Properties
Percentage of indirectly managed assets, by property subsector	Percentage (%) by floor area	IF-RE-000.C	-
Average occupancy rate, by property subsector	%	IF-RE-000.D	-

* Indicates the total floor area



 **MITSUBISHI ESTATE CO., LTD.**

The back cover shows the award-winning works of art from the fiscal 2023 22th Kira Kira Art Competition held by Mitsubishi Estate for children with disabilities.