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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.)



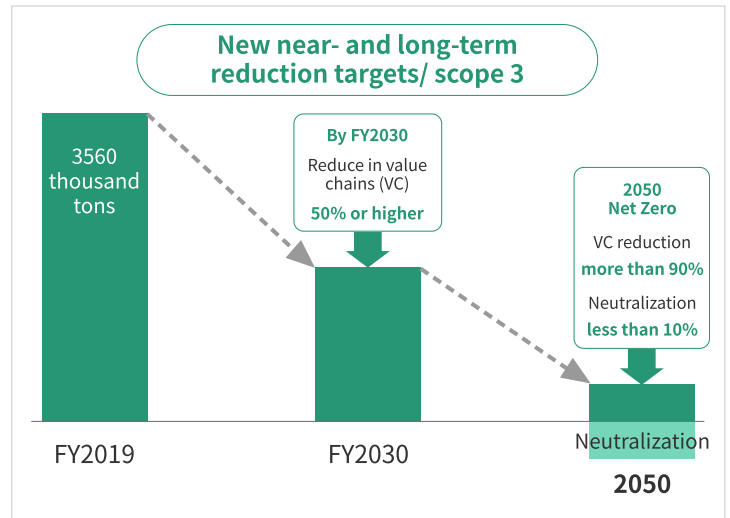
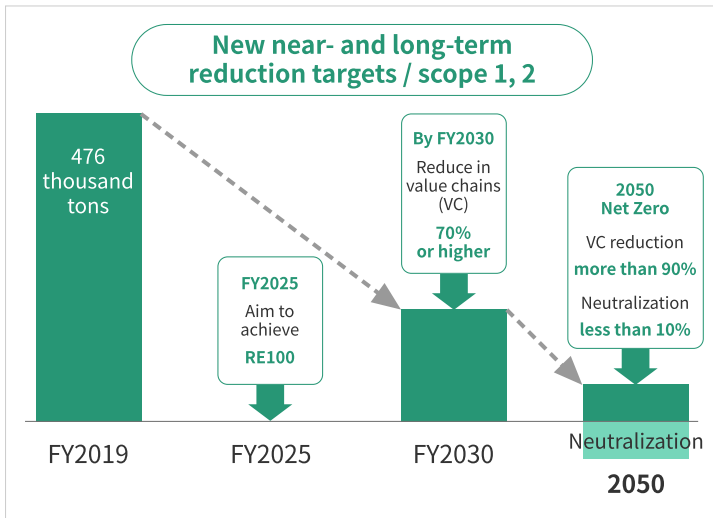
# Mitsubishi Estate Group Medium- to Long-Term Greenhouse Gas Emissions Reductions Targets

## 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

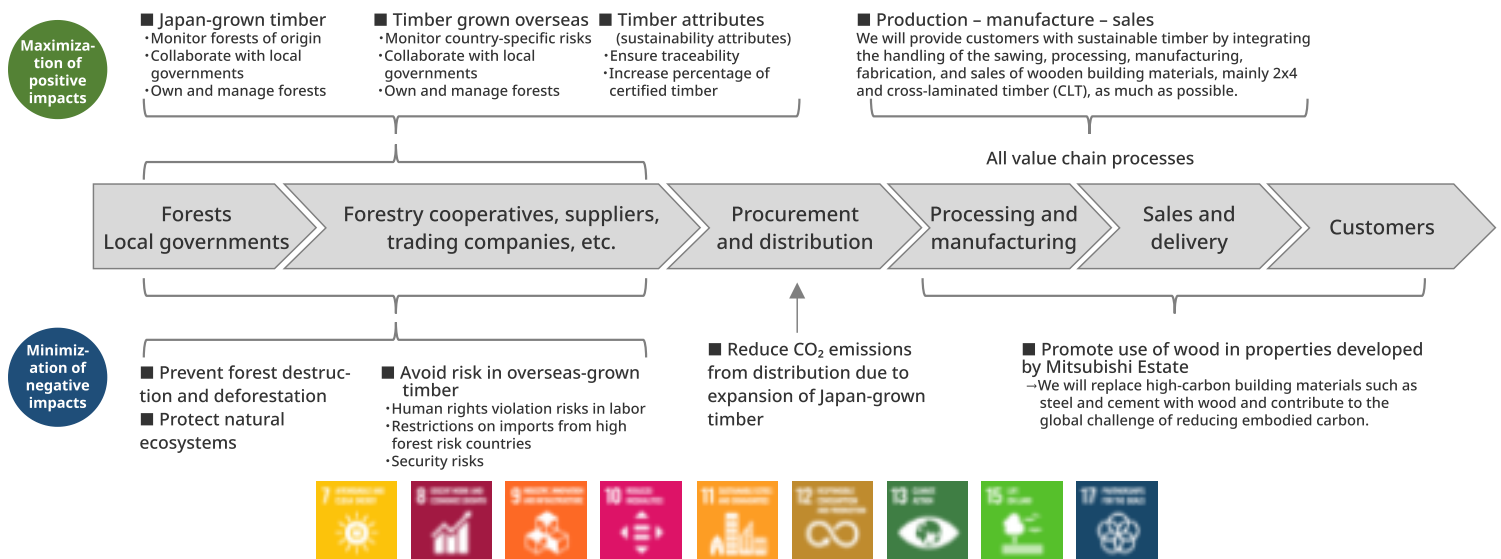
→ A low-risk score of 91 or higher based on the individual country forest risk assessment provided by Preferred by Nature

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.

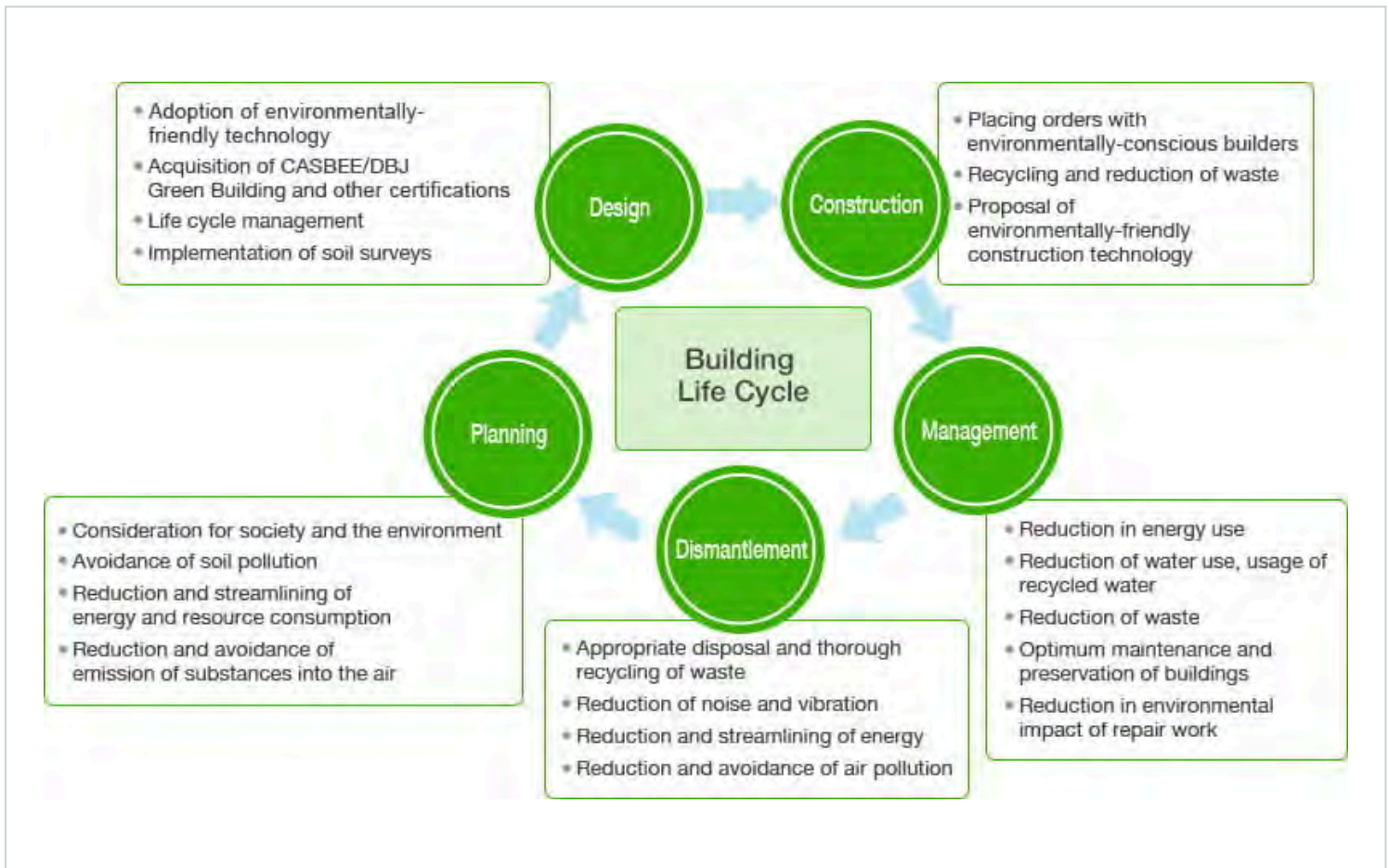




# Approach to Building Life Cycle

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><b>[An example of the risk type]</b></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><b>[An explanation of how it is included in climate-related risk assessments]</b></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 &amp; 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><b>[An example of the risk type]</b></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><b>[An explanation of how it is included in climate-related risk assessments]</b></p> <p>Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; 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 &amp; 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 &amp; 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><b>[An example of the risk type]</b>            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><b>[An explanation of how it is included in climate-related risk assessments]</b>            Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; 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&amp;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><b>[An example of the risk type]</b>            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><b>[An explanation of how it is included in climate-related risk assessments]</b>            Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; 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><b>[An example of the risk type]</b>            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><b>[An explanation of how it is included in climate-related risk assessments]</b>            Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; 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><b>[An example of the risk type]</b> 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><b>[An explanation of how it is included in climate-related risk assessments]</b> Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; 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><b>[An example of the risk type]</b> 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><b>[An explanation of how it is included in climate-related risk assessments]</b> Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; 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><b>[An example of the risk type]</b> 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><b>[An explanation of how it is included in climate-related risk assessments]</b> Such risks are evaluated, managed and controlled by the Sustainability Committee and Risk Management &amp; 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<sup>\*1</sup> 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)<sup>\*2</sup>, 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 <sup>*1</sup> , heat and power storage, and VPP <sup>*2</sup> , 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<sup>\*1</sup> 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,<sup>\*2</sup> 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

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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

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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+”<sup>\*</sup> 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)

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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 CO<sub>2</sub> in all newly built condominiums for sale and lease by 2030. Approximately 60%<sup>\*</sup> of the energy that customers use at home is electricity, so switching to electricity free of fossil fuels can reduce CO<sub>2</sub> 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

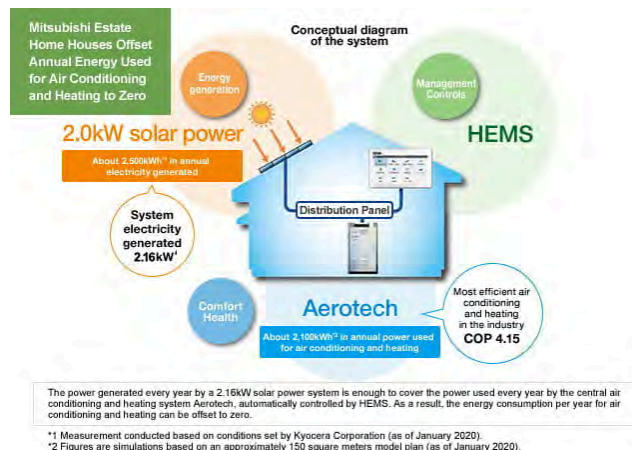
In addition to introducing ZEH-M and renewable energy under the CO2 emissions reduction strategy, Mitsubishi Estate Residence will gradually transition to using concrete mixed with blast furnace cement, which emits fewer CO2 emissions, as a general rule for on-site piling in all new condominiums for 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), CO<sub>2</sub> 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 CO<sub>2</sub> 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

**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



### Higashikurume Shopping Center Qurune

Year of introduction: FY2022

For additional details of this property



### M's CROSS Omotesando

Year of introduction: FY2022

For additional details of this property



## 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

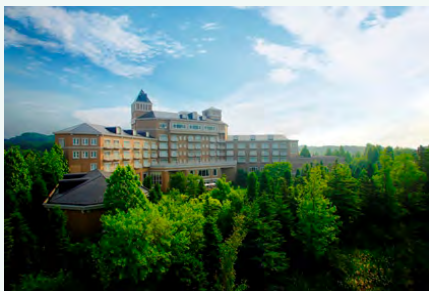
Year of introduction: FY2022

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 m<sup>2</sup> 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 m<sup>2</sup>). The Group is also aiming to recycle 100% of waste in the Marunouchi area (the Otemachi, Marunouchi, and Yurakucho districts).

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

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

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

- **Creating an environment that facilitates sorting of recyclable waste:** As most of the waste disposed of as combustibles is actually recyclable, trash stations that allow waste to be sorted into 15 separate bins have been provided in place of trash bins that were dedicated solely for combustibles.
- **Promoting recycling of mixed paper:** Mixed paper that is not soiled or specially processed, such as envelopes and paper bags, can be recycled into toilet paper, and better sorting is effective for reducing combustible waste in offices. At the trash stations, mixed paper bins have been installed next to the combustible bins to make sorting easy.
- **Promoting recycling by sorting PET bottles into three separate bins:** Empty PET bottles are sorted into the PET bottle bin, the caps go into a dedicated container, and the labels go into the waste plastic bin.
- **Establishing strict rules for sorting and disposing of lunchbox waste:** The rules for sorting and disposing of waste in shared office kitchens have been enforced. Empty plastic lunchbox containers go into the waste plastic bin, leftovers go into the food waste bin, and disposable chopsticks and paper napkins go into the combustible bin. Leftover drinks and ice are disposed of in the sink.



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

Waste Separation at a Glance (PDF 1.28MB)

PDF

## Initiatives in Collaboration with Tenants and Other Parties

### Circular City Marunouchi - An Urban Environment for Resource Recycling

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.<sup>\*1</sup> 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.<sup>\*2</sup> 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 a '省エネルギー性能報告書' (Energy Conservation Performance Report) cover and an internal report page. The report page includes a table for '省エネ率' (Energy Saving Rate) and '省エネ率の算出' (Calculation of Energy Saving Rate) for different renovation types. It also features a table for '省エネ率の算出' (Calculation of Energy Saving Rate) and a table for '省エネ率の算出' (Calculation of Energy Saving Rate).

省エネ率	省エネ率の算出	省エネ率		省エネ率	省エネ率
		省エネ率	省エネ率		
省エネ率	省エネ率の算出	省エネ率	省エネ率	省エネ率	省エネ率
省エネ率	省エネ率の算出	省エネ率	省エネ率	省エネ率	省エネ率

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](#)







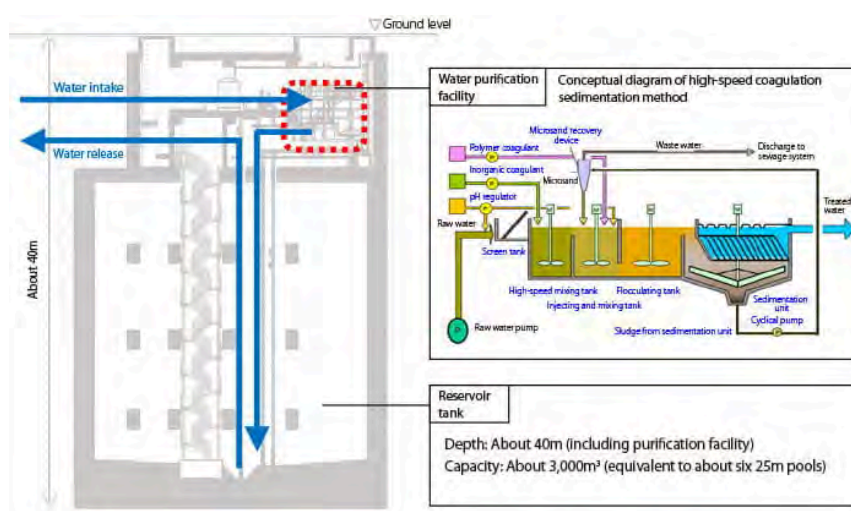
# Initiatives for Improving Water Quality

## 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 500,000m<sup>3</sup> 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

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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.

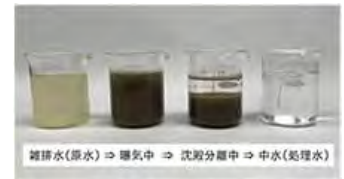
As part of this initiative, the Tokyo Metropolitan Government Bureau of Construction installed water retaining paving on the roadway that can store water within the paving of Gyoko Dori Avenue. Mitsubishi Estate installed equipment for sprinkling the recycled water from the Marunouchi Building on the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



## Utilizing Recycled Water at Sunshine City

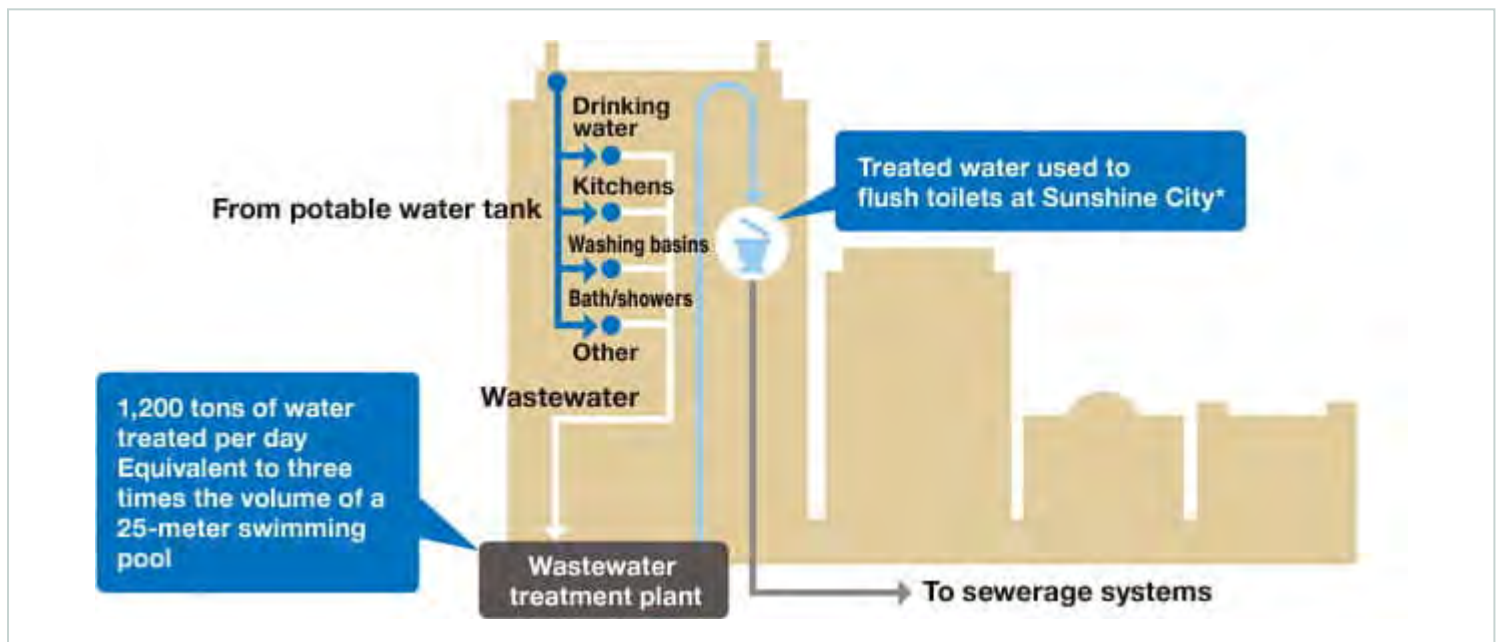
Sunshine City employs a wastewater recycling system to recover water used in its building, using the activated sludge method which treats wastewater with the power of bacteria.

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.



# 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 4,000m<sup>2</sup>, creating a new space for human interaction.

The Otemachi Building Sky Lab features The Edible Park Otemachi by Grow (658m<sup>2</sup>, 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

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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

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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 m<sup>2</sup> 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 CO<sub>2</sub> 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 m<sup>2</sup> 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,<sup>\*</sup> 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.

<sup>\*</sup> 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 m<sup>2</sup> 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

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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>→ <a href="#">DBJ Green Building Certification</a> </p> <p>→ <a href="#">List of properties certified (Japanese notation only)</a> </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>→ <a href="#">Institute for Building Environment and Energy Conservation</a> </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>→ <a href="#">Association for Housing Performance Evaluation and Labeling (Japanese only)</a> </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>→ <a href="#">U.S. Green Building Council</a> </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>→ <a href="#">BREEAM</a> </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>→ <a href="#">WELL</a> </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>→ <a href="#">The Sustainable SITES Initiative (SITES)</a> </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<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup>**





# 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 m<sup>2</sup> 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 m<sup>2</sup> 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<sup>\*1</sup> and the Green Building Council of Australia's Design & As Built 6 Star Green Star<sup>\*2</sup>. The project also aims to earn NABERS Energy 5.5 Star<sup>\*3</sup> 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 <sub>2</sub> , in the Mitsubishi Estate Group's <sup>*1</sup> 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 <sup>*2</sup>	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 CO<sub>2</sub> and Other Greenhouse Gases and Announcement of 2050 Net-Zero Based on a New Standard Defined by SBTi (PDF 547KB) **PDF**

→ Targets for reducing CO<sub>2</sub> 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

<b>Name</b>	Mitsubishi Estate Co., Ltd. 139th - 141st Unsecured Bonds (Mitsubishi Estate Sustainability-Linked Bonds)		
<b>Terms decision date</b>	July 15, 2022		
<b>Issue</b>	139th bonds	140th bonds	141st bonds
<b>Issue date</b>	July 22, 2022	July 22, 2022	July 22, 2022
<b>Redemption date</b>	July 22, 2027	July 22, 2032	July 22, 2052
<b>Term</b>	5 years	10 years	30 years
<b>Issue amount</b>	20.0 billion yen	20.0 billion yen	20.0 billion yen
<b>Interest rate</b>	0.360%	0.644%	1.543%
<b>KPIs</b>	Percentage of electricity from renewable energy sources	Percentage of reduction in total GHG emissions, including CO <sub>2</sub> , in the Group's value chain	(1) Percentage of reduction of total GHG emissions, including CO <sub>2</sub> , in the Group's value chain (2) Percentage of female managers
<b>SPTs<sup>*1</sup></b>	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
<b>SPTs determination date</b>	December 31, 2026	December 31, 2031	December 31, 2051
<b>Bond characteristics after determination</b>	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.		
<b>Bond ratings</b>	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

<b>Name</b>	Mitsubishi Estate Co., Ltd. 142nd - 143rd Unsecured Bonds (Mitsubishi Estate Sustainability-Linked Bonds)	
<b>Terms decision date</b>	April 26, 2023	
<b>Issue</b>	142nd bonds	143rd bonds
<b>Issue date</b>	May 2, 2023	May 2, 2023
<b>Redemption date</b>	May 2, 2028	May 2, 2033
<b>Term</b>	5 years	10 years
<b>Issue amount</b>	30.0 billion yen	30.0 billion yen
<b>Interest rate</b>	0.430%	0.900%
<b>KPIs</b>	Percentage of electricity from renewable energy sources	Percentage of reduction in total GHG emissions, including CO <sub>2</sub> , in the Group's value chain
<b>SPTs</b>	Achieve 100% by FY2025	At least 70% for Scope 1 and 2 combined, at least 50% for Scope 3 (base year: FY2019)
<b>SPTs determination date</b>	December 31, 2026	December 31, 2031
<b>Bond characteristics after determination</b>	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.	
<b>Bond ratings</b>	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

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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

<b>Name</b>	Mitsubishi Estate Co., Ltd. 127th unsecured corporate bonds (Mitsubishi Estate Green Bond)
<b>Date of determination of issuance terms</b>	June 20, 2018
<b>Date issued</b>	June 26, 2018
<b>Maturity date</b>	June 26, 2023
<b>Term</b>	5 years
<b>Total amount issued</b>	20 billion yen
<b>Use of proceeds</b>	All funds will be used to finance the construction of Tower A of the Tokyo Tokiwabashi Project facing Tokyo Station. → <a href="#">Project website (Japanese only)</a>
<b>Bond rating</b>	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)

PDF

## Details of the Tokiwabashi District Redevelopment Project

- A large-scale redevelopment project covering a total area of 3.1 hectares, the largest in the vicinity of Tokyo Station. It includes the development of an approximately 390m super high-rise tower that will become a new landmark for the city of Tokyo and a spacious plaza measuring approximately 7,000m<sup>2</sup> 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<sup>\*1</sup> 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<sup>\*2</sup> Certification under WELL Certification (WELL Building Standard<sup>\*3</sup>), 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<sup>\*4</sup>])
- 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

<b>Date of agreement</b>	November 30, 2021
<b>Loan period</b>	10 years
<b>Loan amount</b>	5 billion yen
<b>Use of funds</b>	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)

