

November 30, 2021

To whom it may concern

Sumitomo Mitsui Trust Bank, Limited
Mitsubishi Estate Co., Ltd

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

Sumitomo Mitsui Trust Bank, Limited (President: Kazuya Oyama; hereinafter “SuMi TRUST Bank”) and Mitsubishi Estate Co., Ltd (President and Chief Executive Officer: Junichi Yoshida; hereinafter “Mitsubishi Estate”) concluded a “Positive Impact Finance (with unspecified use of funds)” loan agreement (hereinafter “this agreement”) that is in line with the Principles for Positive Impact Finance (*1) released by the United Nations Environment Programme Finance Initiative (hereafter “UNEP FI”) (*2).

Positive Impact Finance (hereinafter “PIF”) is intended to support corporations’ activities of which we comprehensively analyze and evaluate the impacts (both positive and negative) related to the environment, society and economy. The most notable feature of PIF is that the degree of contribution from corporate activities, products and services in achieving Sustainable Development Goals (SDGs) is used as evaluation indicator and monitored based on publicly disclosed information.

【Overview of this Agreement (Syndicated Loan)】

Date of Agreement	November 30, 2021
Loan Period	10 years
Loan Amount	5 billion yen
Use of Funds	Long-term operating funds

In order to create a sustainable society, Mitsubishi Estate has established the *Mitsubishi Estate Group Sustainability Vision 2050* as its vision to be achieved in that year, and has formulated *Mitsubishi Estate Group 2030 Goals for the SDGs* as a milestone for defining specific themes and actions to achieve this vision. In addition, with the aim of resolving social issues and providing leading-edge services and experiences through its businesses, Mitsubishi Estate establishes “Sustainability” along with “Quality of Life” as its value propositions in its Long-Term Management Plan 2030.

In concluding this agreement, SuMi TRUST Bank assessed the following initiatives of Mitsubishi Estate both qualitatively and quantitatively as initiatives that particularly have impact on achieving SDGs.

Theme	Content	Goals and Indicators (KPI)*	SDGs
Environment Sustainable urban development that proactively addresses climate change and environmental issues	✓ Urban development that conducts management of climate change, waste, and energy issues	(Goals) a. Reduce CO ₂ emissions (Scope 1 + Scope 2 + Scope 3) by 35% by 2030 (compared with FY2017) b. Reduce CO ₂ emissions (Scope 1 + Scope 2 + Scope 3) by 87% by 2050 (compared with FY2017) c. Increase percentage of power from renewable	 

		<p>energy sources to 25% by 2030</p> <p>d. Increase percentage of power from renewable energy sources to 100% by 2050</p> <p>e. Increase waste recycling rate focusing on food and plastic items to 90% by 2030</p> <p>f. Reduce waste disposal per m² by 20% by 2030 (compared with FY2019)</p> <p>(Indicators (KPI))</p> <p>a. CO₂ emissions</p> <p>b. Same as above</p> <p>c. Renewable energy ratio</p> <p>d. Same as above</p> <p>e. Waste recycling rate</p> <p>f. Waste disposal per m²</p>	
<p>Diversity & Inclusion</p> <p>Urban development that responds to lifestyle and human resource trends and facilitates active participation for all</p>	<ul style="list-style-type: none"> ✓ Borderless urban development that respects all over the world and various background ✓ Urban development that achieves inclusive society ✓ Affluent and comfortable urban development that responds to lifestyle and demographic trends 	<p>(Goals)</p> <p>a. Increase the use rate of lumber that complies with the Sustainable Sourcing Code or an equivalent in office buildings and housing constructed using concrete form panels to 100% by 2030</p> <p>b. Increase the percentage of female managers to higher than 10% by FY2030</p> <p>c. Increase the percentage of female employees accounted for by assistant-manager-level employees who can be candidates for management positions to about 30% by FY2025</p> <p>d. Increase the rate of use of male employees taking childcare leave of absence to 100% by FY2030</p> <p>e. Keep the rate of female employees taking childcare leave of absence to 100% every year until FY2030</p> <p>f. Strengthen hospitality and realize stress-free cities</p> <p>(Indicators (KPI))</p> <p>a. Status of the use of lumber that complies with the Sustainable Sourcing Code or an equivalent in office buildings and housing constructed using concrete form panels</p> <p>b. Percentage of female managers</p> <p>c. Percentage of female employees accounted for by assistant-manager-level employees who can be candidates for management positions</p> <p>d. Rate of use of male employees taking childcare leave of absence</p>	  

		<p>e. Rate of female employees taking childcare leave of absence</p> <p>f. Status of the strength of hospitality and realization of stress-free cities</p>	
<p>Innovation</p> <p>Innovative urban development that continuously renews society</p>	<ul style="list-style-type: none"> ✓ Urban development that delivers interactive added value due to accumulation of knowledge and network ✓ Innovative urban development that acts as wellsprings for open innovation 	<p>(Goal)</p> <ul style="list-style-type: none"> ✓ Position new businesses, such as those utilizing artificial intelligence, robotics, and other new technologies, as new fields for non-asset businesses and work to create new business models and opportunities in these fields that contribute to the realization of a sustainable society while coordinating with outside partners <p>(Indicator)</p> <ul style="list-style-type: none"> ✓ Status of the creation of new businesses, digital vision, the utilization of robotics technology, and the work of OMY SDGs ACT5 Project 	 
<p>Resilience</p> <p>Dynamic, flexible urban development that builds disaster-resilient communities and prioritizes safety and security</p>	<ul style="list-style-type: none"> ✓ Safe and secure urban development that is sustainable and resilient 	<p>(Goal)</p> <ul style="list-style-type: none"> ✓ Implement earthquake and water damage countermeasures and develop systems for stable power supply on an individual-building basis ✓ Institute non-infrastructure measures for providing environments that facilitate business continuity even during times of disaster and for establishing schemes for temporarily housing people who cannot return home because of a disaster ✓ Enhance systems for the comprehensive operation of multiple buildings and for intra-area coordination to contribute to safer and more secure cities <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> ✓ Status of the work of contributing to safer and more secure cities 	  

* Please refer to the following page for further details on the scope of KPI.

(Reference) Mitsubishi Estate Group Sustainability / ESG Data

<https://www.mec.co.jp/e/sustainability/activities/esg-data/>

This agreement has obtained a third-party opinion (*3) from Japan Credit Rating Agency, Ltd. (President: Shokichi Takagi) regarding compliance of the procedures related to this agreement's evaluation to the Principles as well as the rationality of the evaluation indicators.

Through providing PIF and other solution for sustainability businesses, we will continue to support clients'

business activities that contribute to the achievement of the SDGs and contribute to the enhancement of their corporate value over the medium to long term.

Ends

(*1) The Principles for Positive Impact Finance

The Principles for Positive Impact Finance was developed by UNEP FI in January 2017 as a financial framework for achieving the SDGs. Companies disclose the level of contributions to achieving SDGs through KPIs. Banks then provide funding by evaluating the positive impact observed from these KPIs that is intended to guide the borrowers to increase positive impact and reduce negative impact.

The lending bank, as a responsible financial institution, will check if the impact is continuing or not by monitoring the indicators.

(*2) The United Nations Environment Programme Finance Initiative (UNEP FI)

The United Nations Environment Programme (UNEP) is an executive body for implementing the “Human Environment Declaration” and the “International Environmental Action Programme”, established in 1972 as a subsidiary body to the United Nations system. UNEP FI represents a broad as well as close partnership between UNEP and more than 200 global financial institutions. Since its establishment in 1992, UNEP FI has been working in concert with financial institutions, policy/regulatory authorities to transform itself into a financial system that integrates economic development and ESG considerations.

(*3) For the independent opinion from Japan Credit Rating Agency, Ltd., please visit:

<https://www.jcr.co.jp/en/>