

Third-party Verification

Independent Third-party Verification Report

To enhance the reliability of the ESG data disclosed in the 2021 ESG Report, selected data has undergone third-party verification by Deloitte Tohmatsu Sustainability Co., Ltd.

In the information given below, the mark indicates fiscal year 2020 data that has undergone third-party verification.

- Water Usage
- Waste Emissions
- Greenhouse Gas Emissions
- Health Checkup and Screening Rate

Deloitte.

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(TRANSLATION)

Independent Practitioner's Assurance Report

March 22, 2022

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Mitsui Fudosan Co., Ltd.

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We have undertaken a limited assurance engagement of the data indicated with for the year ended March 31, 2021 on the Third-party Verification section (the "Sustainability Information") included in the "ESG Report 2021" (the "Report") of Mitsui Fudosan Co., Ltd. (the "Company").

The Company's Responsibility

The Company is responsible for the preparation of the Sustainability Information in accordance with the calculation and reporting standard adopted by the Company (indicated with the Sustainability Information included in the Report). Greenhouse gas quantification is subject to inherent uncertainty for reasons such as incomplete scientific knowledge used to determine emissions factors and numerical data needed to combine emissions of different gases.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We apply International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board ("IAASB"), ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the IAASB and the *Practical Guideline for the Assurance of Sustainability Information*, issued by the Japanese Association of Assurance Organizations for Sustainability Information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. These procedures also included the following:

- Evaluating whether the Company's methods for estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or reperforming the estimates.
- Undertaking site visits to assess the completeness of the data, data collection methods, source data and relevant assumptions applicable to the sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information is not prepared, in all material respects, in accordance with the calculation and reporting standard adopted by the Company.

The above represents a translation, for convenience only, of the original Independent Practitioner's Assurance report issued in the Japanese language.

Member of
Deloitte Touche Tohmatsu Limited

List of annual data

Environmental Data

Water Usage

Trends in Water Usage

Water intake

(thousand m³)

	FY2018	FY2019 ^{*1}	FY2020 ^{*1·2}
Clean water	5,318	5,619	4,070
Industrial water	89	107	85
Purchased reclaimed water	-	-	63
Well water	-	-	922
Hot spring water	-	-	78
Pond water	-	-	57
Rainwater	-	-	74
Spring water	-	-	17
Total water intake	5,407	5,726	5,365 <input checked="" type="checkbox"/>
Water intake per base unit (m ³ /m ²)	0.848	0.851	0.708

Data with the third-party verification mark has been independently verified.

Water recycling rate

	FY2018	FY2019	FY2020
Water recycling rate (%) ^{*3}	10.2	15.1	9.2

Wastewater

(thousand m³)

	FY2018	FY2019	FY2020
Sewage water ^{*4}	5,595	5,539	4,441
Seawater ^{*4}	-	-	270

*1 Since fiscal 2020, we have improved the accuracy of reporting data received from each facility relating to usage of purchased clean and industrial water.

*2 Since fiscal 2020, we have reviewed water usage categories and added some usage categories to the overall totals.

*3 Water recycling rate: For fiscal 2018 and 2019, percentages show the proportion of grey water in total water intake (fiscal2018: 615 thousand m³, fiscal2019: 1,016 thousand m³). For fiscal 2020, the percentage shows the proportion of water (495 thousand m³) reused after being put in grey water containers after its initial use.

*4 Amount of wastewater transported to a water treatment plant via underground sewers. Wastewater put into the sea, the ground, underground, or elsewhere is not included in this total.

Scope of Data Calculation

The scope of data calculation for water usage encompasses, in principle, facilities for which disclosure is required under the Act on the Rational Use of Energy. However, some facilities are excluded.

Business Division	Type	Fiscal year		
		2018	2019	2020
Overall	No. of target facilities (facilities)	139	146	187
	Total floor area (m ²)	6,379,120	6,723,556	7,574,935
Office buildings	No. of target facilities (facilities)	70	67	95
	Total floor area (m ²)	2,886,933	3,036,374	3,201,930
Retail facilities	No. of target facilities (facilities)	46	45	49
	Total floor area (m ²)	2,973,917	2,981,975	3,300,731
Hotels	No. of target facilities (facilities)	14	21	24
	Total floor area (m ²)	158,761	239,844	299,992
Logistics	No. of target facilities (facilities)	3	8	9
	Total floor area (m ²)	300,630	454,066	742,713
Other	No. of target facilities (facilities)	6	5	10
	Total floor area (m ²)	58,879	11,298	29,569

Note:

1. Resort hotels are included in the scope for hotels.
2. Facilities under the control of the General Administration Department as well as each branch have been included in Other.
3. Water usage in offices is included.

Disposed Industrial Waste

Trends in the Amount of Disposed Non-Hazardous Waste (General Waste and Industrial Waste)

	FY2018	FY2019	FY2020
General waste (t)	37,320	36,546	30,217
Per base unit (t/m ³)	0.0060	0.0055	0.0044
Industrial waste (t)	9,951	10,642	7,863 <input checked="" type="checkbox"/>
Per base unit (t/m ³)	0.0016	0.0016	0.0010
Total (t)	47,271	47,188	38,080

Data with the third-party verification mark has been independently verified.

Note: The amount of disposed industrial waste is in accordance with the Waste Management and Public Cleansing Act.

Scope of Data Calculation for Waste Emissions

The scopes of data Calculation for hazardous and non-hazardous waste emissions encompasses, in principle, facilities for which disclosure is required under the Act on the Rational Use of Energy. However, some facilities are excluded.

Business Division	Type	Fiscal year		
		2018	2019	2020
Overall	No. of target facilities (facilities)	121	132	166
	Total floor area (m ²)	6,247,209	6,665,965	7,576,226
Office buildings	No. of target facilities (facilities)	60	63	77
	Total floor area (m ²)	2,857,052	3,039,590	3,207,157
Retail facilities	No. of target facilities (facilities)	39	38	46
	Total floor area (m ²)	2,872,148	2,958,869	3,295,817
Hotels	No. of target facilities (facilities)	14	20	24
	Total floor area (m ²)	158,761	237,442	299,992
Logistics	No. of target facilities (facilities)	3	7	9
	Total floor area (m ²)	300,630	419,879	742,713
Other	No. of target facilities (facilities)	5	4	10
	Total floor area (m ²)	58,618	10,183	30,548

Note:

1. Resort hotels are included in the scope for hotels.
2. Facilities under the control of the General Administration Department as well as each branch have been included in Other.
3. Waste emissions in offices are included.

Greenhouse Gas Emissions

Greenhouse Gas Emissions (Scopes 1, 2 & 3)

The Group's emissions for Scope 1, Scope 2, and Scope 3 are as follows.

*For Mitsui Fudosan and consolidated subsidiaries that either own buildings or have 100 or more employees.



Scope	2018FY	2019FY	2020FY
	t -CO ₂	t -CO ₂	t -CO ₂
Scope1	89,601	104,386	115,407
Scope2	395,264	413,118	363,233
Subtotal (Scopes 1 & 2):	484,865	517,504	478,640 <input checked="" type="checkbox"/>
Scope3-1 Products and services purchased	1,151,608	1,198,709	1,788,374 <input checked="" type="checkbox"/>
Scope3-2 Capital goods	1,290,290	973,821	518,985
Scope3-3 Fuel- and energy-related activities that are not included in Scope 1 and 2	85,347	97,747	92,205
Scope3-4 Transportation and delivery (upstream)	-	-	-
Scope3-5 Waste generated by businesses	194,348	125,531	169,554
Scope3-6 Business trips	2,372	2,623	2,735
Scope3-7 Employers' commuting	4,367	4,755	5,036
Scope3-8 Lease assets (upstream)	-	-	-
Scope3-9 Transportation and delivery (downstream)	-	-	-
Scope3-10 Processing of products sold	-	-	-
Scope3-11 Use of products sold	1,165,234	831,002	1,028,520
Scope3-12 Disposal of products sold	9,598	9,612	15,818
Scope3-13 Lease assets (downstream)	687,758	621,265	593,900
Scope3-14 Franchise	-	-	-
Scope3-15 Investments	-	-	-
Subtotal (Scope3):	4,590,922	3,865,065	4,215,127
Total (Scopes 1, 2 & 3):	5,075,786	4,382,569	4,693,767

Data with the third-party verification mark has been independently verified.

*Scope 1 and Scope 2 are calculated using emissions coefficients and other methods in line with the Act on Promotion of Global Warming Countermeasures, based on the amount of energy used (whether actual figures or estimates) during a single business year. Some figures are estimates calculated by considering a base unit (of floor area) for each business division.

*Scope 3-1 is calculated from the sales cost price part and services provided part of real estate for sale that was sold in the fiscal year.

The sales cost price part of real estate for sale that was sold in the fiscal year (excl. land) is calculated by multiplying figures given in the emissions unit value database (ver. 3.1), which details Ministry of the Environment emissions coefficients used to estimate an organization's greenhouse gas or other emissions through its supply chain.

The services provided part during the fiscal year is calculated by multiplying accounts that exceeded 1% of the total monetary amount covered in Scope 3-1 by an emissions coefficient determined by the Ministry of the Environment.

*Scope 3-2 is calculated by multiplying the amount of increase in tangible fixed real estate assets by an emissions coefficient determined by the Ministry of the Environment.

*Scope 3-3 is calculated by multiplying the amount of energy used in Scope 1 and Scope 2 by an emissions coefficient determined by the Ministry of the Environment.

*Scope 3-5 is calculated by multiplying emissions produced by general and industrial waste by an emissions coefficient determined by the Ministry of the Environment.

*Scope 3-6 is calculated by multiplying the number of employees of the Mitsui Fudosan Group by an emissions coefficient determined by the Ministry of the Environment.

*Scope 3-7 is calculated by multiplying the number of employees of the Mitsui Fudosan Group by the number of working days for the Group and an emissions coefficient determined by the Ministry of the Environment.

*Scope 3-11 is calculated by multiplying real estate sold in the fiscal year by the annual emissions unit value and a legally established service life.

*Scope 3-12 is calculated by multiplying real estate sold in the fiscal year by an emissions coefficient determined by the Ministry of the Environment.

*Scope 3-13 is calculated using emissions coefficients and other methods in line with the Act on Promotion of Global Warming Countermeasures, based on the amount of energy used (whether actual figures or estimates) during a single business year. Some figures are estimates calculated by considering a base unit (of floor area) for each business division.

*Values may change depending on revisions to the scope and methods of calculation, etc.

Social data

Health and Safety

Health Checkup and Screening Rate

- Record in fiscal 2018: 99.5%
- Record in fiscal 2019: 99.8%
- Record in fiscal 2020: 99.5%
- Goal for fiscal 2021: 100%

Data with the third-party verification mark has been independently verified.

Note: The health checkup and screening rate is the percentage of all steady-basis employees undergoing health checkups or health screening.

The total of all steady-basis employees consists of regular and part-time steady-basis employees as of the end of the fiscal year, excluding those necessarily prevented from undergoing screening (due to international postings, childcare leave, health conditions, etc.).