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Third-party Assurance

Independent Assurance Report

To enhance the reliability of the ESG data disclosed in the 2023 ESG Report, selected data has obtained third-party assurance by KPMG AZSA Sustainability Co., Ltd.

In the information given below, the mark indicates fiscal year 2022 data that has obtained third-party assurance.

- Energy Consumption
- Water Usage
- Waste Emissions
- Greenhouse Gas Emissions
- Health and Safety

Independent Assurance Report

To the President and Chief Executive Officer of Mitsui Fudosan Co., Ltd.

We were engaged by Mitsui Fudosan Co., Ltd. (the “Company”) to undertake a limited assurance engagement of the environmental and social performance indicators marked with (the “Indicators”) for the period from April 1, 2022 to March 31, 2023 included in its ESG Report 2023 (the “Report”) for the fiscal year ended March 31, 2023.

The Company’s Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the Report.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and the ‘ISAE 3410, Assurance Engagements on Greenhouse Gas Statements’ issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company’s responsible personnel to obtain an understanding of its policy for preparing the Report and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company’s reporting criteria, and recalculating the Indicators.
- Visiting two of the Company’s facilities in Japan selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Indicators.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Report are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the Report.

Our Independence and Quality Management

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Management 1, we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

/s/ Kazuhiko Saito
Kazuhiko Saito, Partner, Representative Director
KPMG AZSA Sustainability Co., Ltd.
Tokyo, Japan
September 22, 2023

Notes to the Reader of Independent Assurance Report:

This is a copy of the Independent Assurance Report and the original copies are kept separately by the Company and KPMG AZSA Sustainability Co., Ltd.

List of annual data

Environmental Data

Energy Consumption

Trends in the Amount of Energy Consumption

	FY2019	FY2020	FY2021	FY2022
Energy Consumption (MWh)	1,488,256	1,433,237	3,653,327	3,935,352 <input checked="" type="checkbox"/>

Data with the third-party assurance mark has been independently assured.

Boundary for Energy Consumption

	FY2019	FY2020	FY2021	FY2022
No. of target facilities (facilities)	210	277	789	791
Total floor area (m ²)	6,770,958	7,628,160	18,027,066	19,235,824

Notes:

1. For the fiscal year 2019 to 2020, facilities for which disclosure is required under the Act on Rationalizing Energy Use are included. However, some facilities are excluded.
2. For the fiscal year 2021 onward, facilities owned or hired by Mitsui Fudosan and consolidated subsidiaries that own buildings or have 100 or more employees, as well as a company with high CO2 emissions (Mitsui Fudosan TG Smart Energy Co., Ltd.) are included.
3. Energy consumption is calculated by multiplying purchased energy by a calorific value coefficient. The coefficient used is the unit calorific value set in the Act on Rationalizing Energy Use.

Water Usage

Trends in Water Usage

Water intake

(thousand m³)

	FY2019	FY2020 ※ 1・2	FY2021	FY2022
Clean water	5,619	4,070	9,483	11,433
Industrial water	107	85	236	243
Purchased reclaimed water	–	63	251	288
Well water	–	922	1,292	1,594
Hot spring water	–	78	204	229
Pond water	–	57	37	75
Rainwater	–	74	250	252
Spring water	–	17	96	96
Total water intake	5,726	5,365	11,849	14,210 <input checked="" type="checkbox"/>
Water intake per base unit (m ³ /m ²)	0.851	0.708	0.671	0.855

Data with the third-party assurance mark has been independently assured.

Water recycling rate

	FY2019	FY2020	FY2021	FY2022
Water recycling rate (%) *3	15.1	9.2	9.5	7.5

Wastewater

(thousand m³)

	FY2019	FY2020	FY2021	FY2022
Sewage water *4	5,539	4,441	10,181	12,205
Seawater	–	270	264	341

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

*3 Water recycling rate: For the fiscal year 2019, percentages show the proportion of grey water in total water intake (1,016 thousand m³). From the fiscal year 2020, the percentage shows the proportion of water (FY2020: 495 thousand m³; FY 2021: 1,121 thousand m³; FY2022: 1,059 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.

Boundary for Water Usage

	FY2019	FY2020	FY2021	FY2022
No. of target facilities (facilities)	146	187	477	497
Total floor area (m ²)	6,723,556	7,574,935	17,667,267	16,617,847

Notes:

1. For the fiscal year 2019 to 2020, facilities for which disclosure is required under the Act on Rationalizing Energy Use are included. However, some facilities are excluded.
2. For the fiscal year 2021 onward, facilities owned or hired by Mitsui Fudosan and consolidated subsidiaries that own buildings or have 100 or more employees, as well as a company with high CO₂ emissions (Mitsui Fudosan TG Smart Energy Co., Ltd.) are included.

Waste Emissions

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

	FY2019	FY2020	FY2021	FY2022
General waste (t)	36,546	30,217	95,433	105,987
Per base unit (t/m ²)	0.0055	0.0044	0.0055	0.0059
Industrial waste (t)	10,642	7,863	16,942	21,382 <input checked="" type="checkbox"/>
Per base unit (t/m ²)	0.0016	0.0010	0.0011	0.0016
Total (t)	47,188	38,080	112,375	127,369

Data with the third-party assurance mark has been independently assured.

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

Boundary for Waste Emissions

	FY2019	FY2020	FY2021		FY2022	
			General waste	Industrial waste	General waste	Industrial waste
No. of target facilities (facilities)	132	166	380	334	399	347
Total floor area (m ²)	6,665,965	7,576,226	17,205,772	15,441,872	18,008,087	13,478,173

Notes:

1. For the fiscal year 2019 to 2020, facilities for which disclosure is required under the Act on Rationalizing Energy Use are included. However, some facilities are excluded.
2. For the fiscal year 2021 onward, facilities owned or hired by Mitsui Fudosan and consolidated subsidiaries that either own buildings or have 100 or more employees as well as a company with high CO₂ emissions (Mitsui Fudosan TG Smart Energy Co., Ltd.) are included.
3. Waste emissions include estimates. For the fiscal year 2022, data calculations and calculation methods have been made more precise.

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.



*Facilities owned or hired by Mitsui Fudosan and consolidated subsidiaries that own buildings or have 100 or more employees, as well as a company with high CO₂ emissions (Mitsui Fudosan TG Smart Energy Co., Ltd.) are included

Scope	FY2019	FY2020	FY2021	FY2022
	1000t-CO ₂	1000t-CO ₂	1000t-CO ₂	1000t-CO ₂
Scope1 Direct emissions	104	115	140	183
Scope2 Indirect emissions	413	363	438	457
Subtotal (Scopes 1 & 2):	518	479	579	640 <input checked="" type="checkbox"/>
Scope3-1 Purchased Goods and Services	1,199	1,788	1,209	1,658
Scope3-2 Capital goods	974	515	835	1,608
Scope3-3 Fuel- and energy-related activities(not included in scope 1 or scope 2)	98	92	125	128
Scope3-4 Upstream transportation and distribution	—	—	—	—
Scope3-5 Waste generated in operations	126	170	146	166
Scope3-6 Business travel	3	3	3	3
Scope3-7 Employee commuting	5	5	6	6
Scope3-8 Upstream leased assets	—	—	—	—
Scope3-9 Downstream transportation and distribution	—	—	—	—
Scope3-10 Processing of sold products	—	—	—	—
Scope3-11 Use of sold products	831	1,029	696	695
Scope3-12 End-of-life treatment of sold products	10	16	13	13
Scope3-13 Downstream leased assets	621	594	589	586
Scope3-14 Franchise	—	—	—	—
Scope3-15 Investments	—	—	—	—
Subtotal (Scope 3):	3,865	4,211	3,621	4,863
Total (Scopes 1, 2 & 3):	4,383	4,690	4,199	5,503

Data with the third-party assurance mark has been independently assured.

*Scope 1 and Scope 2 are calculated using emission factors in line with the Act on Promotion of Global Warming Countermeasures and other methods, based on the amount of energy used (whether actual figures or estimates) in the relevant fiscal year. Until fiscal year 2021, for the electrical emission factors, a basic emission factors was used, but for fiscal year 2022 onward, calculations have been made more precise, such as through the use of a post-adjustment emission factors. Some figures for fiscal year 2020 and before 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 in the relevant fiscal year and services provided part of real estate for sale that was sold in that fiscal year.

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

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

*Scope3-2 is calculated by multiplying the amount of increase in Property, plant and equipment excluding land and construction in progress by an emission factors determined by the Ministry of the Environment.

*Scope 3-3 is calculated by multiplying the amount of energy totaled in Scope 1 and Scope 2 by an emission factors determined by the Ministry of the Environment.

*Scope 3-5 is calculated by multiplying emissions produced by general and industrial waste (estimated figures are partly included) by an emission factors 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 emission factors 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 Mitsui Fudosan and an emission factors determined by the Ministry of the Environment.

*Scope 3-11 is calculated by multiplying the area, etc., real estate sold in the relevant fiscal year by the annual emissions unit value and the remaining service life.

*Scope 3-12 is calculated by multiplying the area of real estate sold in the relevant fiscal year by an emission factors determined by the Ministry of the Environment.

*Scope 3-13 is calculated using emission factors 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) in the relevant fiscal year. Some figures are estimates calculated by considering a base unit (of floor area) for each business division.

Social data

Health and Safety

Health Checkup and Screening Rate

- Record in fiscal year 2019: 99.8%
- Record in fiscal year 2020: 99.5%
- Record in fiscal year 2021: 100%
- Record in fiscal year 2022: 100%
- Goal for fiscal year 2023: 100%

Data with the third-party assurance mark has been independently assured.

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.).