

October 31, 2022

For immediate release

Mitsui Fudosan Co., Ltd.
Mitsui Fudosan Residential Co., Ltd.
Mitsui Home Co., Ltd.

**Conclusion of Agreement on Promoting the Use of Wood in Buildings with the
Hokkaido Government, Hokkaido Federation of Forestry Cooperatives, and
Hokkaido Federation of Wood Industry Cooperative Associations
= First Agreement of its Kind in Hokkaido =**

Tokyo, Japan, October 31, 2022 – Mitsui Fudosan Co., Ltd., a leading global real estate company headquartered in Tokyo, Mitsui Fudosan Residential Co., Ltd., and Mitsui Home Co., Ltd. (Mitsui Home), announced today that the three companies have concluded an Agreement on Promoting the Use of Wood in Buildings*¹ with the Hokkaido Government, Hokkaido Federation of Forestry Cooperatives, and Hokkaido Federation of Wood Industry Cooperative Associations.

Based on its philosophy of seeking to link diverse values, coexist in harmony with society and achieve a sustainable society, as symbolized by the Mitsui Fudosan “&” logo, the Mitsui Fudosan Group has adopted “& EARTH” as its Group Vision and is working to foster social and economic development as well as global environmental preservation. The Mitsui Fudosan Group owns and manages approximately 5,000 hectares of forestland in Hokkaido, which absorbs around 17,000 tons of CO₂ every year and contributes to biodiversity conservation, and it is promoting the creation of sustainable “never-ending forests”.*² Meanwhile, the Mitsui Fudosan Group has stepped up the use of timber in its real estate business, as part of efforts to develop timber structures encompassing not only detached houses, but also office buildings and condominiums.*³ The Mitsui Fudosan Group has now reached an agreement with the Hokkaido Government, Hokkaido Federation of Forestry Cooperatives, and Hokkaido Federation of Wood Industry Cooperative Associations on promoting the use of the Group’s timber from Hokkaido. This is the first agreement of its kind to be made among the Hokkaido Government, companies and other organizations.

The main points of the agreement are as follows. The Hokkaido Government will provide technical advice and information on subsidy projects and related programs with respect to promoting the use of timber from Hokkaido, as well as conduct public relations activities based on the agreement. The Hokkaido Federation of Forestry Cooperatives will establish a supply network for building materials in advance and will supply legally harvested wood in a timely manner. The Hokkaido Federation of Wood Industry Cooperative Associations will work to request fiscal support for promoting the use of local timber and developing related facilities. The Mitsui Fudosan Group will endeavor to use timber from Hokkaido in the buildings it plans to construct going forward.

Working closely with the Hokkaido Government, the Mitsui Fudosan Group will contribute to the realization of the agreement's core objectives, which are to realize a decarbonized society by 2050 and spur regional revitalization by energizing the forestry industry and its peripheral sectors.

(*1) Agreement on Promoting the Use of Wood in Buildings

Under the Act on the Promotion of the Use of Wood in Buildings, etc. to Contribute to the Realization of a Decarbonized Society, etc., which came into force on October 1, 2021, a system of agreements is newly established for the purpose of encouraging builders to further promote the use of wood in buildings in collaboration and coordination with local governments and other partners. Currently, the national government has concluded 8 such agreements, while local governments have concluded 32 agreements.

(*2) Creating “Never-Ending Forests”

The Mitsui Fudosan Group is constantly implementing a cycle of creating “never-ending forests,” which involves the steps of planting, cultivating, and using. All forests owned by the Mitsui Fudosan Group have received the forestry management certification from the Sustainable Green Ecosystem Council (SGEC). This certification verifies that forests are being managed in a socially, economically, and environmentally appropriate manner.

https://www.mitsuifudosan.co.jp/and_forest/english/

(*3) Timber Office Building and Condominium Plans

Mitsui Fudosan is moving forward with a plan to build a timber office building with 17 above-ground floors in Nihonbashi Honcho 1-chome, Chuo-ku, Tokyo. Separately, a timber condominium with 5 above-ground floors has been built in Inagi City, Tokyo, and commercialized as Mitsui Home's MOCXION product. MOCXION is also scheduled to be adopted in another project, specifically a Mitsui Fudosan Residential rental condominium planned to be built in Kita-Senzoku 2-chome, Ota-ku, Tokyo. These projects make proactive use of domestic timber, including timber from forests owned by the Mitsui Fudosan Group.

< Reference > https://www.mitsuifudosan.co.jp/corporate/news/2020/0929_02/ (Japanese)
<https://www.mitsuihome.co.jp/property/mocxion/> (Japanese)
https://www.mfr.co.jp/content/dam/mfrcojp/company/news/2022/0315_01.pdf (Japanese)



Perspective drawing of the timber rental office building



Timber condominium MOCXION

Perspective drawings provided by Mitsui Fudosan and Takenaka Corporation
* These perspective drawings are current as of the date of this news release, but the design may change.

■ Mitsui Fudosan Group’s Initiatives for SDGs https://www.mitsuifudosan.co.jp/english/esg_csr/

The Mitsui Fudosan Group aims for a society that enriches both people and the planet under the principles of coexist in harmony with society, link diverse values and achieve a sustainable society, and advances business with an awareness of the environment (E), society (S) and governance (G), thus promoting ESG management. By further accelerating its ESG management, the Group will realize Society 5.0, which the Japanese government has been advocating, and contribute significantly to achieving the SDGs. Additionally, the Group formulated the following Group guidelines related to “Realize a Decarbonized Society” and “Diversity & Inclusion Promotion” in November 2021. The Mitsui Fudosan Group will continue to work toward solving social issues through neighborhood creation.

- < References > · [Group Action Plan to Realize a Decarbonized Society]
<https://www.mitsuifudosan.co.jp/english/corporate/news/2021/1124/>
 · [Diversity & Inclusion Promotion Declaration and Initiative Policy]
https://www.mitsuifudosan.co.jp/english/corporate/news/2021/1129_02/

* The initiatives covered in this press release are contributing to five of the UN’s SDGs.

Goal 8	Decent Work and Economic Growth
Goal 9	Industry, Innovation and Infrastructure
Goal 12	Responsible Consumption and Production
Goal 13	Climate Action
Goal 15	Life on Land

