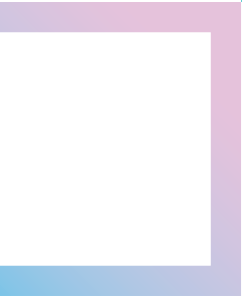
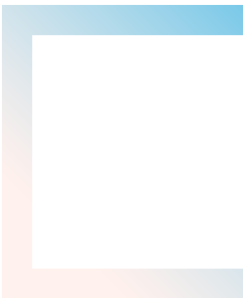


# *SUSTAINABILITY GUIDE*



MITSUBISHI ESTATE CO., LTD.  
Japan Real Estate Investment Corporation





# Toward a Sustainable Society

## Challenges We Face

Thanks to advances in technology and other factors, we in the 21st century are enjoying an abundance of wealth.

At the same time, global environmental issues and population growth have created a cumulative burden on the Earth, and the environmental impact of current lifestyles and economic activities now exceeds the limit that the global environment can withstand.

The “SDGs (Sustainable Development Goals)” were adopted by the United Nations in 2015, and are a set of common goals of the international community for realizing a sustainable society. The SDGs are increasingly being used around the world as a way to solve problems through an economic, social, and environmental approach.

### SUSTAINABLE DEVELOPMENT GOALS 17 GOALS TO TRANSFORM OUR WORLD



## Addressing Global Environmental Issues

Global issues cannot be resolved by a single country. For example, the effects of climate change caused by global warming are appearing in various parts of the world, such as rising temperatures on a global scale and intensifying natural disasters. The “Paris Agreement” is an international framework through which countries around the world can deal with climate change issues. The Paris Agreement was agreed to at COP 21\* in 2015, and both developed and developing countries are working together to reduce greenhouse gases. Based on this agreement, governments, private companies, NGOs, and other actors in participating countries are tackling the common challenge of combating climate change.

\* The 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change

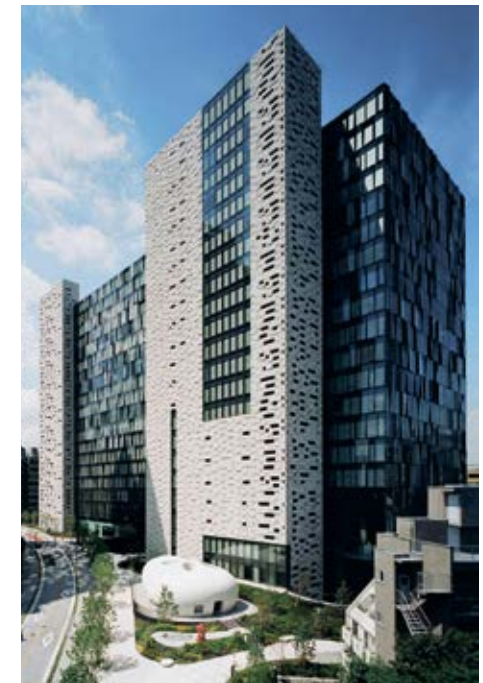
### Long-Term Objectives of the Paris Agreement

- ▶ Keep a global temperature increase in this century well below 2°C compared to pre-industrial levels and pursue efforts to limit the temperature increase even further to 1.5°C.
- ▶ Reach global peak of greenhouse gas emissions as soon as possible to achieve a balance between the amount of emissions and the amount that forests and other green spaces are able to absorb by the second half of the 21st century.

## Movement Toward Sustainability in Japan

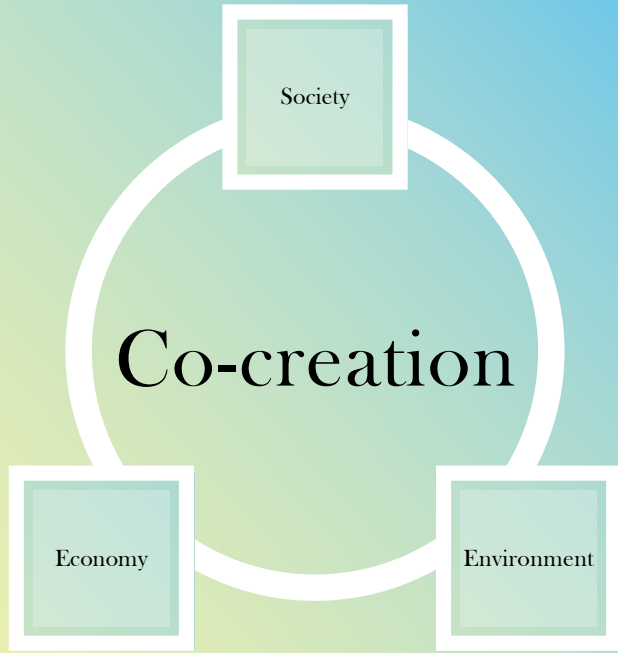
In response to these global trends, Japan has committed to achieve a 26% reduction in greenhouse gas emissions by fiscal 2030 compared to the fiscal 2013 level. In order to achieve these goals and realize a decarbonized society beyond them, it is necessary for the public and private sectors to work together to tackle climate change issues from both social and economic perspectives. In recent years, the importance of ESG\* initiatives in the private sector has increased. Sustainability of corporate strategy and long-term risk management with climate change in mind are becoming essential in measuring corporate value.

\* ESG stands for Environmental, Social, and Governance. ESG has become a keyword in recent years as many institutional investors incorporate ESG factors into the investment process alongside traditional financial analysis.





Tenants/  
Customers



### Our Thoughts

What can we do to help create a sustainable society?  
For example, one of the goals of the SDGs is “decent work and economic growth.” If we were to realize this philosophy in our offices in Japan, it would be to create an environment that respects the individuality of employees, enables each employee to fully demonstrate his or her capabilities, and creates new value and business momentum.  
This will enhance the sustainability of the way organizations and individuals work. In recent years, the phrase “work style reform” has become popular, and these efforts are based on the SDGs. This Sustainability Guide provides tenants with various tips on what they can do in the office, mainly from the viewpoints of the “environment” and “tenant well-being”.  
We will team up with our tenants and endeavor to co-create a sustainable society with them.



Building  
Owners



# Reforming New Office Spaces and Work Styles

## Mitsubishi Estate Head Office

Mitsubishi Estate moved its head office to promote **work style reforms** and to develop the **office business**. We hope that the **new workplace** we have established through the relocation of our head office will lead to a more comfortable and productive office for our employees through proposals and other means.



## Voice

A member of the Head Office Relocation Project team

Shiori Sasaki

Facility Management Office, General Affairs Department, Mitsubishi Estate Co., Ltd.

We carried out the relocation of the head office to accelerate work style reform.

We have been working on improving operational efficiency through a variety of hardware and software measures, creating new value that is generated by this improvement, and creating an open corporate culture to promote these approaches.

I believe that our own experience of relocating will make our arguments more persuasive when proposing offices that realize work style reforms to customers.

Our efforts to create new value will continue.

## New Pursuits Inspired by Relocation

- ▶ Adoption of a free-address work environment
- ▶ Promotion of paperless office
- ▶ Creating an environment that supports diverse working styles
- ▶ Abolition of private rooms for directors in charge

### Major Achievements

■ Floor area .....	20% reduction	↓
■ Shared space area .....	doubled	↑
■ Number of conference rooms .....	50% reduction	↓
■ Number of cabinets .....	70% reduction	↓



## Work Styles Realized Through Relocation

- 1 Natural gathering and connections between people
- 2 Open and direct communication
- 3 Flexible working arrangements
- 4 Surroundings that encourage a "give-it-a-go" spirit
- 5 Healthy living



Effects on corporate activities

The results of the internal satisfaction survey regarding the relocation are as follows.

- The relocation of the head office raised the level of satisfaction with the facilities **90%**
- Meetings have been streamlined **89%**
- The office environment helps to generate new ideas **71%**
- There are more opportunities to interact with people in other departments **88%**
- I think the corporate culture will change **86%**
- Business efficiency has been improved by promoting a paperless office **65%**

## 01 Eliminating Borders

### Adoption of a free-address work environment that eliminates borders between departments

We have introduced a free-address work environment that allows employees to choose from a variety of seats depending on their work style. At the same time, we have realized a paperless office.

### Expansion of common area that eliminates the boundaries between people

We have designed a shared space that is two times larger than in the former head office and is one-third of the new head office. The exchange of opinions contributes to the creation of insight, motivation, and productivity.



## 03 New Trials

### A number of field trials conducted in our offices

- ▶ Trial introduction of concierge services for employees
- ▶ Face recognition entry/exit system
- ▶ Installation of stretching machines that contribute to well-being
- ▶ User experiment with a toilet that utilizes IoT

## 04 Use of Renewable Energy Sources

All power used in the office is covered by renewable green power.



## 02 Supporting Diverse Ways of Working

### A wide variety of spatial designs

Focusing on insight, motivation, and productivity, we have introduced a variety of spatial designs for each floor and different uses. We have prepared common areas throughout the office that can be used for individual work or for meetings.

### Other

- ▶ Introduction of power nap program to improve performance
- ▶ An interval work system in which employees work after a certain interval of rest
- ▶ Fitness program in the office
- ▶ Introduction of telework

Effects on corporate activities

- Productivity **3.8% ↑**
- Operating rate of conference rooms **26% ↑**
- Number of new business proposals **24 proposals**  
(Average of 15 proposals per year in the past 3 years)
- Conference room operating hours **15% ↓**
- Paper usage **50% ↓**
- Amount of stationery purchased **46% ↓**
- Number of days of paid leave taken **10% ↑**





# Workplace Reform for the Future of Office Buildings

## Japan Real Estate Asset Management's Relocation Project

Japan Real Estate Asset Management (JRE-AM) is an asset management company of Japan Real Estate Investment Corporation (JRE), a J-REIT\* specializing in office buildings in Japan.

As a professional in charge of office building operations, JRE-AM is always expected to lead the office styles of the future.

The theme of this relocation project was **workplace reform** to **realize the latest working styles**.

\* An investment trust that invests funds collected from investors in real estate and distributes profits derived from rental income to investors.

### Recent Office Environment

- Diversification of working styles and mobility of human resources
- Increasing demand for flexible workspaces
- Rapid growth of co-working spaces and shared office spaces
- Office design as a part of corporate strategy
- Growing awareness of ESG

### Our Challenges

#### Changing the Way We Work

- Introduction of flex-time working hours for all employees with a minimum core time of two hours
- Realization of flexible working styles by encouraging employees to take paid holidays
- Abolishing dress codes and respecting autonomy

#### Creating a Dynamic Workplace of the Future

- Flexible layout taking advantage of free-address work environment
- Architecture and design with ESG in mind

### What We Aim for with Relocation

#### Build good relationships between companies and employees that grow and contribute to each other

- Increase productivity
- Stimulate creativity
- Office that contributes to employee wellness
- Consideration for the environment

Point 1

## Office Concept: Balancing Functionality and Fun with ESG

In light of the latest trends of the office environment, the new office concept is flexible, exciting, and facilitates smooth interaction among peers.

We have introduced office furniture with excellent functionality, a communal area with an awareness of promoting employee interaction, and conference rooms where table tennis can be played.

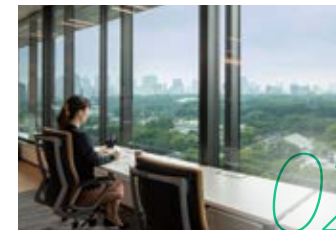
In addition to the introduction of eco-conscious furniture and lighting, we have prepared a variety of workspaces for employees to work in a healthy and comfortable manner, and have worked to create workplaces that are ESG-conscious.

### Nature and the Environment

- Use of natural wood for floors and walls
- Use of furniture made from domestic wood
- Use of LED Lighting



01



02

### Functionality and Enjoyment

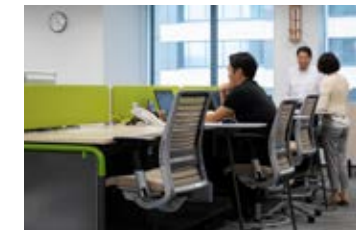
- An office environment designed to provide a good scenic view
- Various furniture arrangements
- Enabling work in communal areas

### Wellness (physical and mental well-being)

- Introduction of balance chairs, resting areas, and standing desks



03



Point  
2

## Five Initiatives and Effects in Numbers

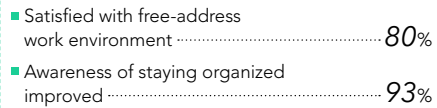
With the office relocation, we took a major step forward from the traditional working style of fixed seats, fixed phones, and the use of large amounts of paper. By lending personal wireless communication devices, promoting paperless operations, and introducing free addresses\*, we have achieved a higher level of effectiveness in all aspects compared to before the relocation.

\* A system that allows employees to work at any seat they like instead of a fixed seat allocation

### 01 Introduction of a Free-Address Work Environment

Creation of a workable communal area

- ▶ Increases opportunities for employees to meet each other and encourage communication
- ▶ Creates interaction across departments and positions
- ▶ Convenient for short meetings such as stand-up meetings
- ▶ Improves awareness of staying organized by sharing fixtures and equipment



### 02 Paperless

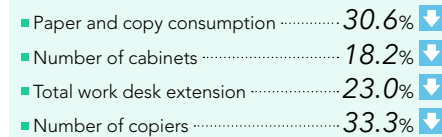
Abolishing the distribution of conference materials and reducing the amount of materials stored by individuals

- ▶ Reduces paper consumption and space for cabinet

### 03 Wireless

Introduction of wireless LANs, notebook PCs, and mobile phones

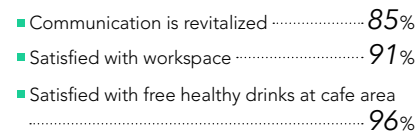
- ▶ Accelerates work efficiency and improves productivity



### 04 Consideration for Employee Health & Well-Being

No-stress design allows employees to freely choose their work area  
Provision of a cafe area and rest area

- ▶ Adds fun to the office in addition to functionality



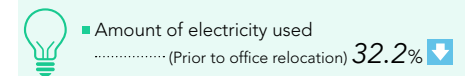
### 05 Energy Efficiency Improvement

Use of LED lighting reduces electricity consumption

Use of natural wood for floors and walls

Support for reconstruction through the use of office furniture made of wood from disaster-stricken areas

- ▶ Raises awareness of environmental issues throughout the office



Figures such as satisfaction are the result of an internal satisfaction survey conducted with the relocation.





case 3 Creating new spaces in the current office

# New Value Created Through Innovation such as Remodeling

## 3×3 Lab Future

The 3×3 Lab Future is a place that aims to contribute to the realization of a **sustainable society for the next generation** as an activity hub of interactions that transcends the boundaries of business types. It is a place where the three elements of sustainability—**economy**, **environment**, and **society**—mesh like gears, a “**third place**” that is neither a company nor a home.

See here for details (In Japanese only).

<http://www.33lab-future.jp/>

## Space Creation with Office Furniture and Fixtures

### A Variety of Workspaces



Desk and balance chair

The 3×3 Lab Future uses a large amount of wood for interior design and furniture, including domestic wood and recycled waste wood. Wood utilization is a symbolic and important initiative from an ESG standpoint in considering Japan’s sustainability. There are also several small meeting spaces in the facility. One of these features is a table that can be adjusted in height and a balance

chair that can improve concentration. These desks serve as a place for the creation of new ideas and for taking a break. For solo work, there is a space called Phone Booth. The wall is surrounded by sound-absorbing material, making it a semi-private room for one person. This space is used not only for telephone calls but also for individual work or for video conferences.



Phone Booth Workspace

### Next-Generation Office

Facility management staff work in next-generation office spaces that incorporate radiant air conditioning, individual air-conditioned desks, and task lighting functions. These spaces are used as a testing ground for new types of offices that consider energy conservation and comfort.



**Voice**  
Thoughts from an employee

Natsumi Chubachi  
Ecozzeria Association

The 3×3 Lab Future is run by the Ecozzeria Association which aims to create a better city and solve social issues in order to realize the Otemachi,

Marunouchi, and Yurakucho Sustainability Vision\*. Various people have become members, use the facilities, interact with each other, and engage in activities.

We hope that you will take a look at these activities together with various work spaces, such as demonstration experiments for next-generation offices and spaces with fixtures and plants that can be installed in existing offices.

\* See here for details <https://www.ecozzeria.jp/english/>





# What We Can Do Now



In this section, we introduce some activities that can be easily implemented as a first step toward building a sustainable society.

We ask our tenants/customers to consider the following examples as a reference for their active cooperation.

## Energy conservation



### Examples of Initiatives

- ✓ Use the energy-saving mode on office equipment such as computers and printers

For office equipment, such as printers, it is recommended that the energy-saving functions are set when equipment has not been used for over five minutes. For example, setting equipment to automatically switch to energy-saving mode minimizes electricity consumption.

- ✓ Appropriately adjust room temperature
- ✓ Turn lights off in vacant rooms and unused areas (Effective to subdivide the light switch or create a lighting map)
- ✓ Adjust blinds to increase efficiency of air conditioning
- ✓ Reduce the use of elevators and create opportunities for exercise by using stairs



## Water use



### Examples of Initiatives

- ✓ Make an effort to conserve water in toilets and kitchens

Toilets are said to use about 13 liters of water per flush (Approximately 6 liters for water-saving toilets).

By using a device that makes a flushing sound, the number of times the water is flushed is reduced, and a greater water-saving effect can be expected.

- ✓ After the faucet is used, place the lever on the cold water side to prevent unnecessary water heating
- ✓ Avoid the flushing of trash, chemicals, or harmful substances into the sink or toilet
- ✓ If a water leak is found in the floor or wall, contact the management company immediately

## Paper consumption



### Examples of Initiatives

- ✓ When printing, set duplex printing as the default

The first step toward a paperless office is to avoid color printing when there is no need for it, or to think about whether printing a physical copy is really necessary, and try to use as little paper as possible. As paperless systems become more common, the number of cabinets can be reduced, allowing the freed space to be used for other purposes.

- ✓ Use eco-friendly certified paper such as FSC
- ✓ Consider adoption of a multifunctional printer with a print cancel function

## Waste



### Examples of Initiatives

- Install recycle bins in the office  
In order to reduce the time and effort required for collection and sorting, it is recommended that trash cans be arranged by type in an easy-to-understand manner.
- Use "My Bag, My Bottle" to reduce plastic waste  
In order to reduce the use of plastic shopping bags, a common eco bag is placed in the office to try to reduce plastic waste.
- Ensure that employees understand the rules for recycling and sorting in the building
- Dispose of office equipment and large furniture properly after checking with a waste disposal company
- Choose office supplies with less environmental impact



An example of an in-house campaign to promote the use of "My Bag, My Bottle"

Trash cans arranged by type

## Commuting and traveling



### Examples of Initiatives

- When purchasing a vehicle, choose one based on its fuel efficiency  
The first step in reducing environmental impact is to consider not only price, but also fuel efficiency and maintenance costs when purchasing vehicles that are frequently used, such as during work trips and commuting, and to consider eco-friendly vehicles such as eco-cars.
- Encourage employees to commute and travel by public transportation

## Refurbishment



### Examples of Initiatives

- When procuring materials, consider life cycle costs and environmental impact  
When renovating the office, for example, low-VOC\* materials for carpets and paint should be specified. When wood is used, it is preferable to use certified materials such as FSC. In addition, it may be advisable to consider giving priority to the use of materials that are extracted and produced in the regions where business sites are located.
- Encourage the use of materials that contain recycled materials
- Contribute to society by procuring materials from local communities that we have a relationship or connection with

\* Volatile Organic Compounds:  
Substances contained in paints and adhesives that contribute to air pollution and have negative effects on people

## Indoor environment



### Examples of Initiatives

- Collect trash cans in the office to keep the indoor environment clean  
By removing small trash cans from individual employees' seats and consolidating them in several "trash station" locations, trash cans can be eliminated and the indoor environment can be kept clean.
- In order to prevent deterioration of air quality caused by ink, reduce the use of correction fluid and markers by working toward a paperless office
- Place plants in the office and let natural light into the room



Please feel free to contact a property management company regarding energy reduction and renovation to improve wellness in your office.





[https://www.mec.co.jp/index\\_e.html](https://www.mec.co.jp/index_e.html)



<https://www.j-re.co.jp/en/>

