



Type of engagement	Reason for interaction	Status
Individualist/one-off engagements	<input type="checkbox"/> To support investment decision-making by clients <input type="checkbox"/> To influence corporate practice for clients' portfolios <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> Other: specify	Active 1/23
Collaborative engagements	<input type="checkbox"/> To support investment decision-making by clients <input type="checkbox"/> To influence corporate practice for clients' portfolios <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> Other: specify	
Service provider engagements	<input type="checkbox"/> To support investment decision-making by clients <input type="checkbox"/> To influence corporate practice for clients' portfolios <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> Other: specify	

CLIMATE TRANSPARENCY REPORT

2019

Mitsubishi Corp. - UBS Realty Inc.

About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US\$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2019 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2019 Reporting Framework response. The full Public Transparency Report is available here (https://reporting.unpri.org/surveys/PRI-reporting-framework-2019/-399215B5-A868-4710-9005-DFEE005ADF63/00000000-0000-0000-0000-000000000000/doc/2/-%7C%7C*complete*%7C*public*/Merged/). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2019 climate reporting as “private”. Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the [PRI website](#) and on the [Data Portal](#).

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.1	✓	Public				
SG 01.2	✓	Public				
SG 01.3	✓	Public				
SG 01.4	✓	Public				
SG 01.5	✓	Public				
SG 01.6 CC	-	Public				
SG 01.7 CC	-	Public				
SG 01.8 CC	-	Public				
SG 01.9 CC	-	Public				
SG 01.10 CC	-	Public				
SG 01.11 CC	-	Public				
SG 01.12 CC	-	Public				
SG 02.2	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	-	Public				
SG 07.7 CC	-	Public				
SG 07.8 CC	-	Public				
SG 13.1	✓	Public				
SG 13.2	-	Public				
SG 13.4 CC	-	Public				
SG 13.5 CC	-	Public				
SG 13.6 CC	-	Public				
SG 13.7 CC	-	Public				
SG 13.8 CC	-	Public				
SG 14.1	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.4	✓	Public				
SG 14.5	-	Public				
SG 14.6 CC	✓	Public				
SG 14.7 CC	-	Public				
SG 14.8 CC	-	Public				
SG 14.9 CC	-	Public				
SG 15.1	✓	Public				
SG 15.2	✓	Public				
SG 15.3	✓	Public				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation
Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.	

ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS

Name	Mitsubishi Corp. - UBS Realty Inc.
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ 10 - 29.99 billion AUM
Main Asset Class	>50% Property Internally Managed
Signed PRI Initiative	2013
Region	Asia
Country	Japan
Disclosure of Voluntary Indicators	67% from 38 Voluntary indicators

Mitsubishi Corp. - UBS Realty Inc.

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

We established the "Responsible Property Investment Policy," which sets out our policies for integrating environmental and social considerations into our investment and asset management process.

We believe that RPI adds value to an investment by limiting the risks of regulatory non-compliance and losing its competitive position in the market, by making a property more appealing to tenants and purchasers and, in some cases, by reducing expenses and improving returns. Therefore, RPI is important strategy for us. We also believe that RPI will bring about a more desirable result for our environment and society.

The concept of RPI for us is to make it a first priority is to deliver improved profitability of the investment corporations and also consider social and environmental issues from a long term perspective. We believe that Environmental, Social and Governance issues will have an impact and these issues should be considered in our asset management strategies.

SG 01.5

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

Our RPI strategy is integrated into the asset management of the investment corporations and is implemented by all operational functions of the company during the entire ownership cycle, from its acquisition to the ongoing asset management, marketing, renovation and maintenance through sale.

We incorporate environmental and social risks into the evaluation criteria when acquiring, selling or operating properties. We integrate PRI strategies, but not at the expense of long-term client financial performance.

We incorporate PRI strategies into the design and financial analysis of all property renovations. We evaluate obtaining certifications applicable for each property type and location prior to refurbishment to expedite approval process and enhance the property's competitive position to maximize occupancy, rents and tenant quality. We engage with planners and other external project partners and consultants to achieve objectives.

We define and implement best practice measure (priority on no costs and low costs) to improve energy efficiency, water conservation and waste managements for all operating assets in order to promote sustainable practices.

We reduce operating expenses and thereby increasing property values. We evaluate obtaining green building certifications applicable for each property type and location in order to enhance the property's competitive position to maximize occupancy, rents and quality. We monitor changes in regulations and laws in order to adopt and implement RPI strategies. We collaborate with tenants, property managers and suppliers of services and materials to achieve objectives.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 02**Mandatory****Public****Core Assessed****PRI 6**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

Policy setting out your overall approach

URL/Attachment

URL

URL

{hyperlink:<https://www.mc-ubs.com/english/sustainability/index.html>}

Attachment (will be made public)

Formalised guidelines on environmental factors

URL/Attachment

URL

URL

{hyperlink:<https://www.mc-ubs.com/english/sustainability/invest.html>}

Attachment (will be made public)

Formalised guidelines on social factors

URL/Attachment

URL

URL

{hyperlink:<https://www.mc-ubs.com/english/sustainability/invest.html>}

Attachment (will be made public)

Formalised guidelines on corporate governance factors

URL/Attachment

URL

URL

{hyperlink:<https://www.mc-ubs.com/english/sustainability/governance/index.html>}

Attachment (will be made public)

We do not publicly disclose our investment policy documents

SG 02.2

Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

URL

URL

{hyperlink:https://www.mc-ubs.com/english/sustainability/invest.html}

Attachment

Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

URL

URL

{hyperlink:https://www.mc-ubs.com/english/sustainability/invest.html}

Attachment

Time horizon of your investment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

{hyperlink:https://www.mc-ubs.com/english/sustainability/governance/index.html}

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

{hyperlink:https://www.mc-ubs.com/english/sustainability/invest.html}

Attachment

Climate change

URL/Attachment

URL

URL

{hyperlink:https://www.mc-ubs.com/english/sustainability/invest.html}

Attachment

We do not publicly disclose any investment policy components

SG 02.3	Additional information [Optional].
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Mitsubishi Corp.-UBS Realty Inc. is the first J-REIT asset manager to become a signatory to the Principles for Responsible Investment ("PRI"), which is an international network of investors organized to realize the six principles proposed to the financial services sector by the then Secretary-General of the United Nations in 2006. The principles advocate possible actions for incorporating Environmental, Social and Governance (ESG) issues into investment decision-making process to enhance long-term investment results for beneficiaries. Mitsubishi Corp.-UBS Realty Inc. became a signatory in August 2013.

<https://www.mc-ubs.com/english/sustainability/case.html>

Governance and human resources

SG 07 CC	Voluntary	Public	Descriptive	General
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SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.
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	Board members or trustees
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Other Chief-level staff or head of department
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Portfolio managers
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1

Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

SG 14

Mandatory to Report Voluntary to Disclose

Public

Additional Assessed

PRI 1

SG 14.1

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14.2

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments
- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify
- None of the above

SG 14.3 Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

SG 14.4 If you selected disclosure on emissions risks, list any specific climate related disclosure tools or frameworks that you used.

Each J-REIT discloses "environmental performance data" regarding carbon emission - co2 emissions, electrical power consumption, gas consumption, water use, waste amount and recycling rate every year. Co2 emissions are calculated in accordance with the guideline of "A Standard for Calculation/Report/Disclosure of Greenhouse Effect Gas Emission" by Ministry of the Environment of Japan and "Handbook of Reporting on Global Warming" by the Tokyo Metropolitan Government. And data and emissions per unit are calculated based on the total leasable floor area (after considerations for rate of occupancy).

With climate change becoming a growing problem with each passing year, we are implementing environmentally friendly and energy-saving measures for our properties and making efforts toward more efficient energy use in order to show greater consideration for the environment and lessen our environmental impact. To lower CO2 emissions, one of the risk factors for climate change, we are moving forward with a system that will assess and manage emissions across our entire portfolio.

SG 14 CC	Voluntary	Public	General
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SG 14.6 CC	Please provide further details on these key metric(s) used to assess climate related risks and opportunities.
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Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Climate-related targets	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	to reduce emission		
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	to reduce emission		
Portfolio carbon footprint	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	to reduce emission		

SG 14.7 CC	Describe in further detail the key targets.
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Targettype	Time Frame	Description	Attachments
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target			
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target			
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target			
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target			
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target			

SG 14.8 CC	Indicate whether climate-related risks are integrated into overall risk management and explain the risks management processes for identifying, assessing, and managing climate-related risks.
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- Process for climate-related risks is integrated into overall risk management
- Process for climate-related risks is not integrated into our overall risk management

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SG 15.1

Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

Yes

SG 15.2

Indicate the percentage of your total AUM invested in environmental and social themed areas.

%

51.5

SG 15.3

Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

- Energy efficiency / Clean technology
- Renewable energy
- Green buildings

Asset class invested

- Property

% of AUM

51.5

Brief description and measures of investment

13 properties get the certificate of CASBEE and 18 properties get the certificate of DBJ Green Building in the 100 properties of JRF. 8 properties get the certificate of BELS, 5 properties get the certificate of CASBEE, and 5 properties get the certificate of DBJ Green Building in IIF.

<https://www.jrf-reit.com/english/sustainability/environment/index.html>

<https://www.iif-reit.com/english/sustainability/environment/index.html>

- Sustainable forestry
- Sustainable agriculture
- Microfinance
- SME financing
- Social enterprise / community investing
- Affordable housing
- Education
- Global health
- Water
- Other area, specify

No