



Sustainability Management

Sustainability Basic Policy

Sustainability Promotion System

Message from the Director in Charge of Sustainability

Sustainability Basic Policy

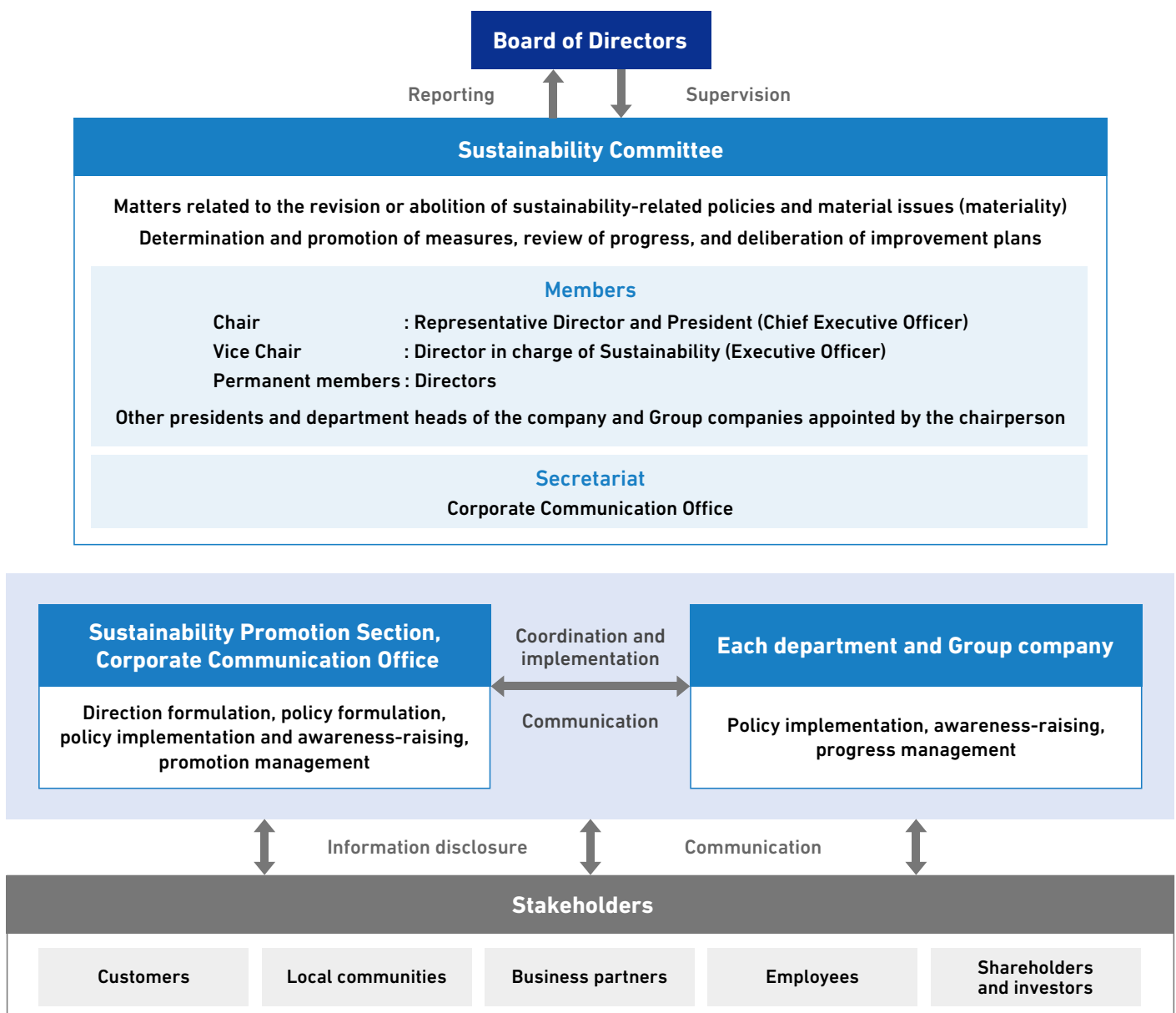
MIRARTH HOLDINGS Group hold its purpose as “To design sustainable environments for a happier future for both people and our planet,” and contribute to solving social issues and achieving the Sustainable Development Goals (SDGs) by engaging in sustainability activities through our business, such as the supply of housing and the introduction of natural energy, in order to gain trust from different stakeholders and society to achieve lasting development.



Sustainability Promotion System

The Group has established a sustainability promotion system based on the recognition that “addressing issues surrounding sustainability, including consideration of climate change and other global environmental issues, respect for human rights, consideration of employee health and the working environment and fair and appropriate treatment of employees, fair and appropriate transactions with business partners, and risk management in the event of natural disasters are important management issues.”

The Sustainability Committee has been established, chaired by the Representative Director and composed of directors, presidents and division heads of Group companies. The Committee is responsible for promoting ESG strategies, determining policies and measures concerning sustainability, examining key issues (materiality) and promoting measures to address them, reviewing their progress, and deliberating on improvement plans.



Message from the Director in Charge of Sustainability



Director, Group CFO and
Managing Executive Officer

Daisuke Nakamura

Sustainability is the concept that the environment, society, and the economy affect each other to make society sustainable, and it is necessary to balance the maintenance of a healthy environment and economic development with the Earth's limited resources. Following the adoption of the Sustainable Development Goals (SDGs) at the UN Summit in 2015 and the Paris Agreement at the Conference of the Parties (COP) to the UN Framework Convention on Climate Change (UNFCCC), companies have been expected to engage in sustainability in earnest. We are now facing major challenges that must be addressed by the entire world, such as climate change and other global environmental issues, the impact of COVID-19 infections, and rising conflicts and tensions in the international community.

As the global movement toward sustainability accelerates, Japan is also making a major shift toward a society-wide emphasis on sustainability, such as declaring its goal of carbon neutrality by 2050. We feel that the role companies should play as well as the expectations of stakeholders are increasing, and the importance of sustainability initiatives in companies is growing year by year.

The Group has contributed to urban development and community building through the supply and management of housing, as well as promoted ESG initiatives by expanding its business in the clean energy field, including the development and operation of renewable energy power plants.

As an initiative for FY2023, the Sustainability Committee, established in April 2022, took the lead in setting sustainability-related KPIs and monitoring their progress, analyzing scenarios for TCFD disclosure, and responding to climate change questionnaire of the Carbon Disclosure Project (CDP). In addition, as a response to climate change, we revised our target to reduce greenhouse gas emissions (Scope 1, 2, and 3) from the Group's business activities by 45% by FY2030 (compared to FY2022) and to achieve net zero emissions by FY2050 and discussed our measures to achieve this reduction.

We have also re-identified our materiality issues considering the transition to a holding company structure and changes in the business environment. In identifying these issues, the management of each Group company sorted out and clarified its own role and relationship in society, identified priority issues, and selected particularly important social issues through discussions at workshops. We have identified four sustainability key themes of "Realizing a Decarbonized Society," "Creating Sustainable Cities," "Enhancing Well-being," and "Strengthening Governance," and have set KPIs to measure specific results based on the ten newly identified materiality issues.

As part of our future efforts to reduce GHG emissions, we will promote various measures to "implement energy conservation," "utilize renewable energy," and "reduce GHG emissions during construction and operation." We also plan to build a human rights due diligence system and promote supply chain management in cooperation with various stakeholders. We will accelerate our company-wide, cross-sectional efforts in all Group business activities to achieve sustainable growth of our business as an economic activity while giving due consideration to the environment and society, which are the foundation of our business.

Your continued support would be greatly appreciated.

Value Creation & Materiality

Value Creation Process

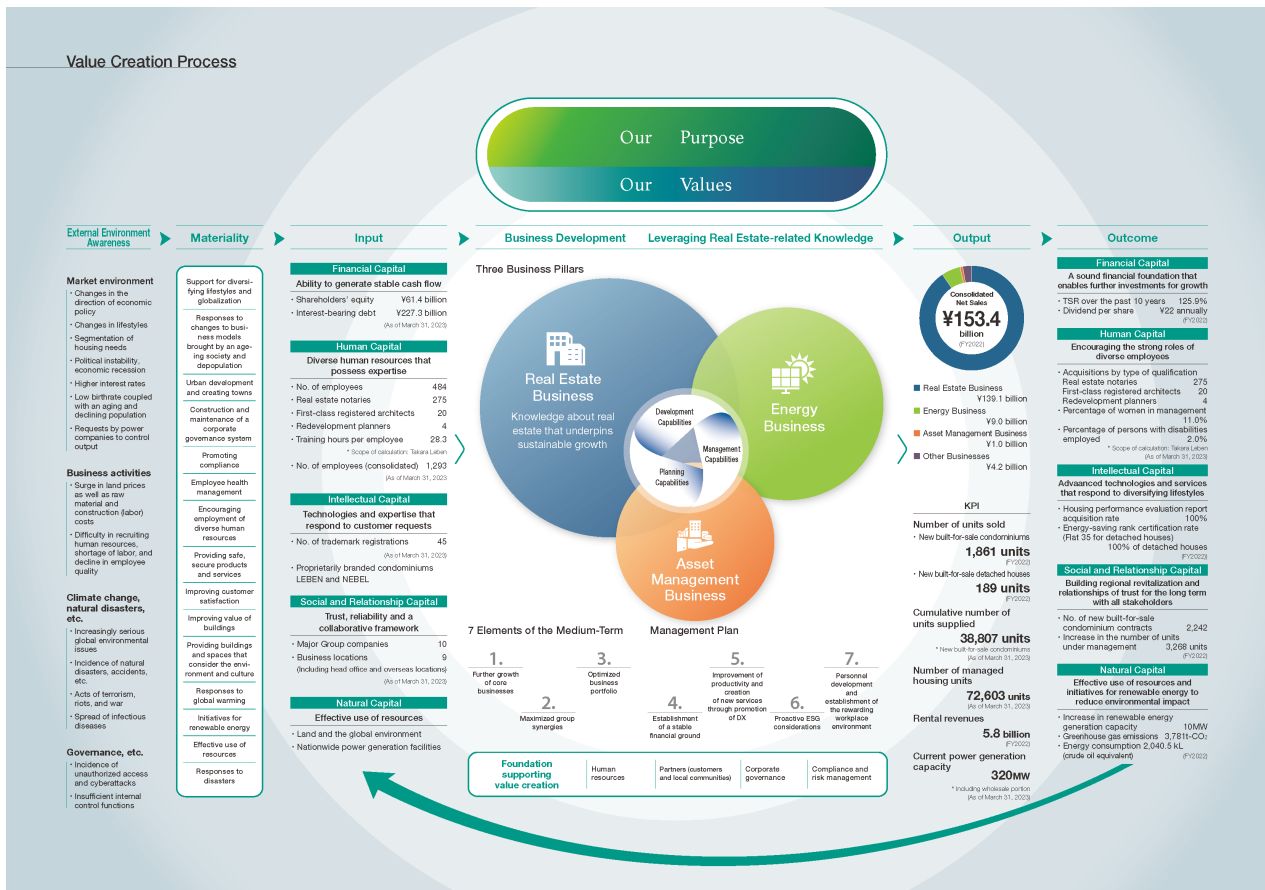
Sustainability Key Themes

Targets and Achievements

Sustainability Key Themes and Materiality Identification Process

Value Creation Process

MIRARTH HOLDINGS Group has achieved sustainable growth by providing products and services that meet diversifying housing needs. With the transition to a holding company structure, we aim to provide new value by leveraging the strengths of the Group that we have built up over the years and by creating group synergies.



• Click here for a larger PDF. 292KB

Sustainability Key Themes

Environment

Realizing a Decarbonized Society

While working to ensure a stable supply of renewable energy, we aim to promote environmentally friendly development with a low environmental impact by incorporating energy conservation measures and strive to mitigate climate change issues.



Materiality	KPI	Targets for FY2024
Addressing climate change and decarbonization	CO ₂ emission reduction rate (Scope 1, 2 and 3)	45% ^{*1} (compared to FY2022)
	Number of internal initiatives contributing to energy conservation	10 initiatives
	Active development of renewed/renovated condominiums	
Promoting the stable supply and use of renewable energy	Total renewable energy generation capacity	780MW ^{*2}
	Acquisition of environmental performance certification	5 building
	Adoption rate of ZEH standard in detached houses	100% ^{*3}
	Promoting the use of renewable energy in the business of newly built condominiums for sale	

Social

Creating Sustainable Cities

We will contribute to the development of local communities and the enrichment of people's lives, and to the realization of a sustainable future through the provision of products and services that respond to social issues and changing needs.



Materiality	KPI	Targets for FY2024
Realizing sustainable growth of local communities	Number of housing supply projects overseas	3 projects
	Number of redevelopment / reconstruction projects undertaken	10 projects ^{*4}
	Results of satisfaction survey on condominium management services	5 points or more / 6 points
	Number of nonconformities related to business processes and quality standards	Less than 10 cases
Addressing the declining birthrate, aging population, and shrinking workforce	Training hours per person	25 hours
	Promoting acquisition of DX Business Certification	
	Proposing new services for lifestyles	10 proposals

Enhancing Well-being

We will protect the mental and physical health and safety of our employees, foster a workplace culture in which diverse human resources can play an active role, and build co-creation relationships through dialogue with stakeholders.



Materiality	KPI	Targets for FY2024
Ensuring the health and safety of employees	Percentage of employees receiving stress check	100%* ⁵
	Percentage of employees taking paid leaves	70%* ⁶
	Percentage of male employees taking childcare leave	85%* ¹
	Special patrols (safety checks) at construction sites	4 times a year
Promoting Diversity Equity & Inclusion (DE&I)	Employment rate of persons with disabilities	2.5%
	Percentage of female managers	20%* ¹
	Percentage of females hired	30%
Respect for human rights and supply chain management	Holding safety conventions	Once a year
	Establishment of human rights due diligence system	
	Implementation of supply chain management	

Governance

Strengthening Governance

We aim to fulfill our corporate social responsibility by promoting sound corporate activities and ensuring transparency in decision-making, and to continuously enhance our corporate value.



Materiality	KPI	Targets for FY2024
Strengthening corporate governance	Evaluation of the effectiveness of the Board of Directors	
	Consideration of introduction of clawback provisions	
Strengthening risk management	Verification and management of critical risks	
	Formulation of BCP manuals	
Ensuring corporate ethics and compliance	Providing compliance education	Three times a year
	Compliance questionnaire for all employees	Once a year
	Awareness rate of whistleblower system	100%

*1 Set as a mid-term target until FY2030

*2 MW based on solar power conversion, and set as a mid-term target until FY2030

*3 Houses with insulation performance grade 5 and primary energy consumption grade 6 (excluding renewable energy standards)

*4 Including excellent building maintenance projects, etc.

*5 Only calculated companies that conducted stress checks

*6 Calculated companies that uniformly grant annual paid leaves

Targets and Achievements

Sustainability Key Themes	KPI	FY2023	
		Targets	Results
Creating Lifestyles with Value	Proposing new services for lifestyles	5 projects	20 proposals
	Number of housing supply projects overseas	3 projects ^{*1}	5 projects
	Supply of NEBEL brand condominiums	3 buildings	5 buildings
Forming Communities	Number of redevelopment projects undertaken	2 projects	1 projects ^{*2}
	Community sponsorships	10 cases	20 cases
	Conduct the board effectiveness assessments		○ ^{*3}
	Enhancing and strengthening the corporate governance system		○
	Consideration of introduction of clawback provisions		△ ^{*4}
	Providing anti-corruption education and training		△ ^{*5}
	Promoting understanding of human rights issues among executives and employees		○
	Number of cases of unfavorable treatment	0 case	0 case
	Understanding the awareness rate of the whistleblower system through questionnaires		○
	Percentage of employees receiving health checkups	100%	98.9%
	Percentage of employees receiving stress check	100%	92.4%
	Percentage of employees taking paid leaves	70%	73.1%
	Employment rate of persons with disabilities	2.3%	2.2%
	Percentage of female managers	9.5% ^{*1}	11.5%
	Percentage of employees returning to work after maternity or parental leave	100%	_ ^{*6}
	Training hours per person	24 hours	42.9 hours
	Satisfaction rate based on sales staff survey	90%	89.9%
Providing Comfortable Spaces of High Quality	Number of nonconformities related to business processes and quality standards	Less than 10 cases	0 cases
	Preventive action sharing meetings	More than 5 times	_ ^{*7}
	SQMS® Master training	More than 2 persons	_ ^{*7}
	Acquisition rate of housing performance evaluation certificates	100%	100%
	Disaster frequency rate, lost time frequency rate (*For employees)	0%	0%
	Number of lost-workday injuries (*For employees)	0 case	0 case
	Safety conventions	Once a year	1 time
	Special patrols (safety checks)	4 times a year	3 times
	Number of health and safety training sessions (*For employees)	2 times a year	3 times
	Results of supplier survey	A rank acquisition rate: 90%	97.0%
	Disaster frequency rate, lost time frequency rate (*For suppliers)	Less than 1.83%	0%

Sustainability Key Themes	KPI	FY2023	
		Targets	Results
Developing Environments and Cultures	Acquisition and disclosure of CO ₂ emissions		○*8
	CO ₂ emission reduction target setting		○*8
	Certification rate of energy efficiency rating (Flat 35)	100% for detached houses	100% for detached houses
	Sponsorship of culture fostering	5 cases	11 cases
	Acquisition of ZEH condominium certification	1 building	1 building
	Acquisition of CASBEE certification rank A or higher	1 building	1 building
	Newly activated generating capacity of power generation facilities using renewable energy sources	20MW	43MW
	Total power generation capacity	360MW*1	368MW
	Obtaining quantitative data on resources and water and setting reduction targets		○
	Formulation of BCP manuals		△*9

*1 Set as a mid-term target for FY ending March 31, 2025

*2 Number of new projects participated in; other 10 projects under construction or in progress (including excellent building maintenance projects, etc.)

*3 Conducted anonymous survey assessments and interviews by an external consulting firm, targeting all directors and auditors, including external directors, and third-party evaluations

*4 Conducted the review of the executive compensation system by the Compensation Committee and will continue to examine it.

*5 Partially implemented through compliance training

*6 No applicable person

*7 Not conducted due to the review of the quality assurance structure

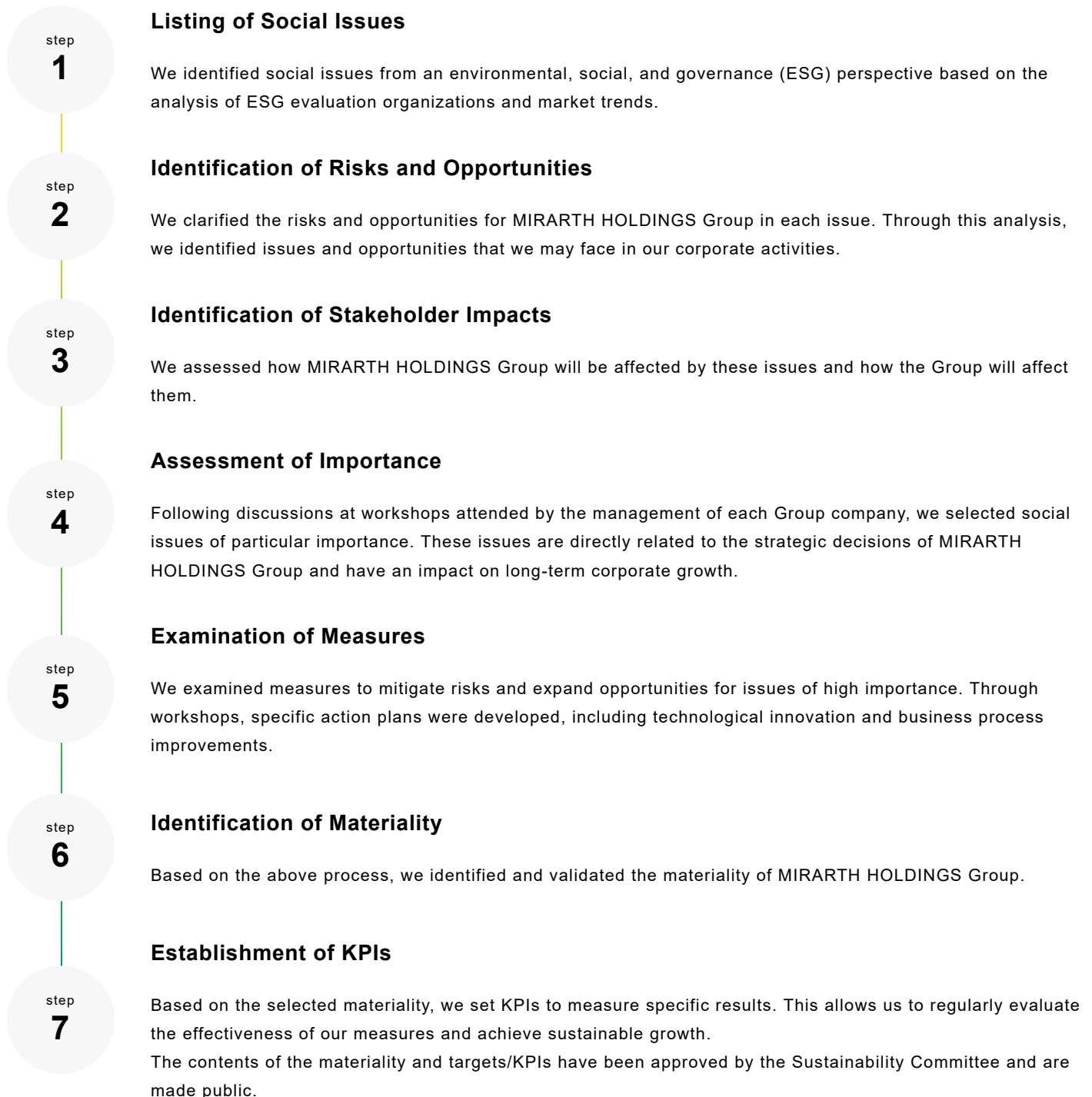
*8 Target scope: Scope 1, 2 and 3

*9 Formulation of an initial response manual for major earthquakes and other emergencies

Sustainability Key Themes and Materiality Identification Process

MIRARTH HOLDINGS Group has identified materiality (key issues) and implemented measures to address them through the following process with the aim of contributing to a sustainable society and enhancing corporate value.

The Group contributes to the realization of a sustainable society and enhancement of corporate value by proactively addressing social issues.



Stakeholder & Initiatives

Dialogue with Stakeholders

Initiatives and Participation in Industry Groups

Dialogue with Stakeholders

Main Stakeholders	Expectations and Requests	Major Responses of the Group
Definition		
Customers (corporations and individuals)	<ul style="list-style-type: none"> • Supply of valuable products and services • Improvement of customer satisfaction in all areas, including quality and cost • Supply of environmentally friendly products • Provision of accurate and appropriate information concerning products and services 	<ul style="list-style-type: none"> • Introduction of online consultation system • Provision of properties with ZEH-M Oriented certification • Administration of sales staff questionnaire • Publication of "Smilax" quarterly
Contracting parties and tenants of condominiums and detached houses Users of tenant buildings Users, etc. of various services		
Local communities	<ul style="list-style-type: none"> • Prevention of accidents and disasters • Collaboration and coordination in solving social issues • Securing of employment • Participation in social contribution activities 	<ul style="list-style-type: none"> • Participation in and sponsorship of local events • Holding of community events at managed properties • Implementation of social contribution activities • Regional revitalization through rebuilding and redevelopment business
Local communities, residents, local governments, etc. related to MIRARTH HOLDINGS Group's business		
Trading partners	<ul style="list-style-type: none"> • Fair and evenhanded transactions • Information sharing and collaboration with the aim of ensuring customer satisfaction and CSR procurement 	<ul style="list-style-type: none"> • Fair and evenhanded transactions • Collaboration and coordination in operations
Construction contractors Business operators etc. related to the provision of various services		
Employees	<ul style="list-style-type: none"> • Creation of prosperous lives for employees and their families • Human resource utilization and development • Appropriate evaluation and compensation • Respect for human rights, personality, and individuality • Creation of workplaces in which diverse personnel can thrive • Attention to occupational health and safety 	<ul style="list-style-type: none"> • Implementation of training programs • Implementation of human resource and evaluation interviews • Operation of help line desks • Introduction of a Telework System • Promotion of staggered commuting times and reduced working hours • Establishment of a Health Committee • Promotion of office reform (introduction of ABW)
MIRARTH HOLDINGS Group employees and their families		

Main Stakeholders	Expectations and Requests	Major Responses of the Group
Definition		
Shareholders and investors	<ul style="list-style-type: none"> • Maintenance and improvement of corporate value • Securing stable profits and appropriate returns • Enhancement of corporate governance system • Creation of risk management systems • Appropriate disclosure of corporate information at appropriate time 	<ul style="list-style-type: none"> • Holding financial results briefings and general meetings of shareholders • Holding meetings with domestic and overseas institutional investors • Conducting shareholder surveys • Holding company-introductory sessions and participating in IR fairs • Disclosing IR information on the website • Obtaining external certification
Individual and institutional investors		

Initiatives and Participation in Industry Groups

Signing the UN Global Compact

In 2020, Takara Leben (currently MIRARTH HOLDINGS) signed and registered as a participating company in the United Nations Global Compact* proposed by the United Nations. We will continue our efforts to realize the ten principles of the United Nations Global Compact, which comprise the four areas of human rights, labor, environment, and anti-corruption.

* The United Nations Global Compact was proposed by then UN Secretary-General Kofi Annan in 1999 at the World Economic Forum in Davos and was launched in 2000.



The Ten Principles of the UN Global Compact	
 Human Rights	<p>Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2 make sure that they are not complicit in human rights abuses.</p>
 Labour	<p>Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4 the elimination of all forms of forced and compulsory labour;</p> <p>Principle 5 the effective abolition of child labour; and</p> <p>Principle 6 the elimination of discrimination in respect of employment and occupation.</p>
 Environment	<p>Principle 7 Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8 undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9 encourage the development and diffusion of environmentally friendly technologies.</p>
 Anti-Corruption	<p>Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.</p>

GRESB

Takara Leben Real Estate Investment Corporation received a “2 Star” in the GRESB^{*} rating, a five-level rating based on the global ranking of the overall score, in the GRESB Real Estate Assessment conducted in FY2023.

The company also received a “Green Star” rating for the fifth consecutive year. The evaluation indicates that the company is an excellent participant in both the Management Component, which evaluates policies and organizational promotion systems for ESG promotion, and the Performance Component which evaluates environmental performance at owned properties and acquisition with tenants.

In addition, the company's ESG information disclosure efforts were highly evaluated in the GRESB disclosure evaluation, which measures the level of ESG information disclosure, and received the highest rating of “Level A.”

* GRESB: The name of the annual benchmark assessment that measures the environmental, social and governance (ESG) considerations of real estate companies and funds and the organization that administers the assessment. It was established in 2009 by a group of major European pension funds that led the Principles for Responsible Investment (PRI).



Signing the Principles for Financial Action for the 21st Century

MIRARTH Real Estate Advisory (formerly Takara PAG Real Estate Advisory) endorses the concept of the Principles for Financial Action Toward a Sustainable Society (the Principles for Financial Action for the 21st Century) and signed on to them in March 2022.

The Principles for Financial Action for the 21st Century were formulated in October 2011 by the Japanese Environmental Financial Action Principles Drafting Committee, a broad range of financial institutions, based on the recommendations of the Central Environmental Council of the Ministry of the Environment, as action guidelines for financial institutions to fulfill their responsibilities and roles necessary for the creation of a sustainable society.

The company aims to implement initiatives based on the seven principles set forth by the Principles for Financial Action for the 21st Century to help create a sustainable society.



Participation in the Japan Climate Initiative (JCI)

In March 2022, MIRARTH Real Estate Advisory (formerly Takara PAG Real Estate Advisory) joined the Japan Climate Initiative (JCI) to endorse its declaration, “Japan’s participation at the forefront of the global effort to decarbonize.”

JCI was established in July 2018 as a network of Japanese companies, local governments, organizations, and NGOs that are actively working to combat climate change in order to achieve the decarbonized society envisioned by the Paris Agreement.

The company is committed to working with JCI’s stakeholders to strengthen the efforts to achieve a decarbonized society.



Responding to the Carbon Disclosure Project

MIRARTH HOLDINGS has been responding to surveys conducted by the Carbon Disclosure Project (CDP)*, an international NGO, since FY2023.

* CDP: An international NGO working in the environmental field that sends environmental questionnaires to companies, compiles the results, and analyzes and evaluates them using a common scale.

Participation in Industry Groups and Japan Business Federation, etc.

Member of the Real Estate Companies Association of Japan (a general incorporated association)

Member of National Housing Industry Association (a general incorporated association)

Member of Metropolitan Area Real Estate Fair Trade Council (a local public corporation)

Member of Japan Business Federation (a general incorporated association)



Sustainability Finance

Green Loans

Sustainability Linked Loan

Positive Impact Finance

ESG Management Support Loan

MIRARTH HOLDINGS Group aims to further strengthen the Group's power generation business and contribute to the achievement of the SDGs, including "Goal 7: Affordable and Clean Energy," by utilizing green loans, which limit the use of funds to environmentally friendly projects and sustainability finance, in which funds are raised based on ESG initiatives, information disclosure, and contributions to the achievement of the SDGs.

Green Loans

Green loans are loans used to finance domestic and international green projects. This financing is unique in that the use of the funds is limited to green projects such as renewable energy installations, energy efficiency improvements, and environmental protection.

In addition, Green Loans have mechanisms in place to ensure transparency through the tracking of funds and reporting after the loan is executed.

MIRARTH HOLDINGS Group will contribute to the realization of a sustainable society using these green loans.

LUXENE HEIWADAI

Takara Leben Real Estate Investment Corporation procured funds through a “green loan” from a syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation, based on the green finance framework established by the corporation. The funds raised through the Green Loan will be used to repay long-term debt raised as part of the acquisition of LUXENA HEIWADAI (acquired on September 3, 2019). LUXENA HEIWADAI is a Green Qualified Asset as defined in the Green Finance Framework.

Borrowing Date	August 31, 2023
Lenders	A syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation (Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., SBI Shinsei Bank, Limited, Sumitomo Mitsui Trust Bank, Limited, Aozora Bank, Ltd., Resona Bank, Limited, THE NISHI-NIPPON CITY BANK, LTD., The Hiroshima Bank, Ltd., The Kiyo Bank, Ltd., and The Iyo Bank, Ltd.)
Borrowings	3.6 billion yen
Use of Fund	Repayment of long-term debt procured as part of the acquisition of LUXENA HEIWADAI


Solar Power Generation Facilities

MIRARTH Energy Solutions (formerly Leben Clean Energy) obtained a second opinion from Rating and Investment Information, Inc. (R&I) on its suitability as a green loan, then concluded a syndicated term loan (underwriting method) financing agreement with Towa Bank, Ltd. and fundraising has been conducted. The proceeds from this green loan were used to finance the acquisition of approximately 5 MW of solar power plant facilities.

Contract Date	December 25, 2023
Arranger/Agent	The Towa Bank, Ltd.
Amount Raised	2.3 billion yen
Use of Funds	Acquisition of a solar power generation facility of approx. 5MW
Second Opinion	Rating and Investment Information, Inc. (R&I)

LEBEN SOLAR IWATE HACHIMANTAI Power Plant

MIRARTH HOLDINGS has raised funds through a syndicated “green loan” provided by Sumitomo Mitsui Trust Bank, Limited. In addition, the loan received the highest grade of “Green1” in the “JCR Green Loan Evaluation” conducted by Japan Credit Rating Agency, Ltd. The funds procured through this Green Loan were used to finance the acquisition of a solar power generation facility, LEBEN Solar Iwate Hachimantai Power Plant (Hachimantai City, Iwate Prefecture).

Contract Date	January 27, 2022
Arranger/Agent	Sumitomo Mitsui Trust Bank
Composition	3.8 billion yen
Use of Funds	Funds for acquisition of LEBEN SOLAR IWATE HACHIMANTAI Power Plant
Lenders	The Gunma Bank, Ltd., THE SAN-IN GODO BANK, LTD, The Nanto Bank, Ltd., The Hiroshima Bank, Ltd., Sumitomo Mitsui Trust Bank
Acquisition Rating	The highest grade “Green1”
News Release	(January 2022) Financing through “Green Loan”  118KB

- Location: 495-1, Matsuo Yoriki No. 1 Chiwari, Hachimantai City, Iwate Prefecture
- Area: Approx. 34ha
- Power generation capacity: approx. 9.8MW
- Estimated annual power generation: approx. 9.76 million kWh
- Unit price of electricity sold: 36 yen/kWh

Environmental Improvement Effectiveness Reporting

- Period: January 2022 - January 2023

* The plant will reduce CO₂ emissions by 4,583 tons per year, with an estimated power generation capacity of 9,338 MWh and a total power generation capacity of 9,499 MWh.

(The calculation method for CO₂ reduction is based on the calculation method and default values specified by the Ministry of the Environment.)

- Period: February 2023 - January 2024

* The plant will reduce CO₂ emissions by 4,860 tons per year, with an estimated power generation capacity of 9,278MWh and a total power generation capacity of 10,201MWh.

(The calculation method for CO₂ reduction is based on the calculation method and default values specified by the Ministry of the Environment.)



Sustainability Linked Loan

The Sustainability Linked Loan aims to promote environmentally and socially sustainable economic activities and economic growth by setting Sustainability Performance Targets (SPTs)* based on the sustainability strategy and linking loan terms to the achievement of SPTs, thereby promoting motivation to achieve the targets.

* SPTs (Sustainable Performance Targets): Ambitious targets that can be used to measure the degree of achievement with respect to the SDGs set by businesses.

Tsukuba Bank, Ltd

MIRARTH Energy Solutions (formerly Leben Clean Energy) signed a Sustainability Linked Loan financing agreement with Tsukuba Bank and raised funds in June 2023. The funds raised through this financing will be used to fund future projects that will lead to the achievement of sustainability.

Contract Date	June 30, 2023
Company Name	MIRARTH Energy Solutions, Inc.
Loan Amount	1 billion yen
Procurement Period	10 years
Use of Funds	Future project funding tied to achieving sustainability

The Towa Bank Ltd.

MIRARTH Energy Solutions (formerly Leben Clean Energy) has obtained a second opinion from Rating and Investment Information, Inc. (R&I) to express its willingness to contribute to the achievement of its sustainability strategy through its business activities, and has concluded a "Sustainability Linked Loan" loan agreement with The Towa Bank, Ltd. The funds raised will be used to finance projects related to renewable energy development, etc.

Contract Date	December 27, 2022
Company Name	MIRARTH Energy Solutions, Inc.
Loan Amount	1 billion yen
Procurement Period	10 years
Use of Funds	Project financing for the achievement of SDG targets (project financing for renewable energy development, etc.)
SPTs	In terms of cumulative output (kW) of renewable energy power generation facilities developed in-house and through the acquisition of existing operating properties ① Increase by 15,000 kW annually ② Increase the average annual output by 15,000 kW (exceeding the planned cumulative output)
Second Opinion	Rating and Investment Information, Inc. (R&I)

Positive Impact Finance

Positive Impact Finance is based on the Positive Impact Financing Principles (PIF Principles) ^{*2} and their implementation guidelines formulated by the United Nations Environment Programme Finance Initiative (UNEP FI) ^{*1} and is designed to comprehensively analyze and evaluate the impact of corporate activities on the environment, society and the economy (positive and negative impacts).

^{*1} United Nations Environment Programme and Finance Initiative (UNEP FI): An organization based on an agreement between the United Nations Environment Programme (UNEP), a subsidiary body of the United Nations established to implement the Declaration on the Human Environment and the International Action Plan for the Environment, and financial institutions. Since its establishment in 1992, the organization has been working with financial institutions and policy and regulatory authorities to transform the financial system to one that integrates economic development and ESG considerations.

^{*2} Positive Impact Finance Principles (PIF Principles): A financial framework for achieving the SDGs, developed by UNEP FI in January 2017. The KPIs disclose the contribution of companies to the achievement of the SDGs, and banks evaluate their positive impact and provide funding, leading to efforts by the recipient companies to increase their positive impact and reduce their negative impact. The bank executing the loan, as a responsible financial institution, will monitor the indicators to ensure that the impact is ongoing.

MUFG Bank, Ltd

In September 2023, MIRARTH HOLDINGS raised funds through Positive Impact Financing provided by MUFG Bank, Ltd.

In entering into this agreement, the Group's business and materiality were primarily evaluated based on the Positive Impact Financing Framework, which was jointly developed by M MUFG Bank, Ltd and Mitsubishi UFJ Research and Consulting Co., Ltd.

The results of this evaluation have been assessed by Japan Credit Rating Agency, Ltd. (JCR) as being in conformity with the PIF Principles by UNEP FI.

Composition Method	Syndicated Loan
Date of Execution	September 27, 2023
Arranger/Agent	MUFG Bank, Ltd.
Lender	16 financial institutions

The First Bank of Toyama, Ltd.

MIRARTH HOLDINGS has raised funds through "First Positive Impact Financing" provided by The First Bank of Toyama, Ltd.

First Positive Impact Finance is a financing product designed to increase positive impact and mitigate negative impact in the economic, environmental, and social aspects of corporate activities. The status of achievement of KPIs (Key Performance Indicators) set for these impacts and the status of initiatives will be monitored on a regular basis.

The impact assessment will be conducted on MIRARTH HOLDINGS through the entire group, and the funds raised will be used to fund Takara Leben's core business, the new condominium business.


It has been confirmed by a second opinion of Rating and Investment Information, Inc. (R&I) that the business processes of the implementation system are applied in accordance with the PIF Principles.

ESG Management Support Loan

The “ESG Management Support Loan” is an ESG evaluation-based loan product offered by MUFG Bank, Ltd. to support and assist companies in their ESG (Environmental, Social and Governance) initiatives.

MIRARTH HOLDINGS has procured financing through the “ESG Management Support Loan” provided by MUFG Bank, Ltd., and has also received a grade of A, which is a rating of “particularly advanced” in the MUFG ESG assessment conducted for the project. The funds raised through this ESG Management Support Loan will be used for the development of the mega solar power generation business.

News Release
(Apr. 2022)

Financing through “ESG Management Support Loan”  70.2KB