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Investment Corporation

Japan Real Estate Investment Corporation

Yutaka Yanagisawa, Executive Director

(TSE code: 8952)

Asset Management Company

Japan Real Estate Asset Management Co., Ltd.

Naoki Umeda, President &amp; CEO

Contact: Masaru Motooka

Executive Officer &amp; General Manager

Planning Department

Phone: +81-3-3211-7951

## Announcement of Obtainment of the ZEB Ready Certification (Higashi-Gotanda 1Chome Building)

Japan Real Estate Investment Corporation (“JRE”) hereby announces that one of its properties, Higashi-Gotanda 1Chome Building, has received a ZEB Ready Certification as well as 5 Stars Certification by Building-Housing Energy-efficiency Labeling System (“BELS”) as described below.

**1. Evaluation Results**

Property Name	Location	Certification Rank	ZEB Certification
Higashi-Gotanda 1Chome Building	Shinagawa-ku, Tokyo	★★★★★	ZEB Ready

Evaluator: The Building Center of Japan.



Higashi-Gotanda 1Chome Building



The above evaluation is based on the design and renovation plan for the building, assuming that the renovation will be carried out in the future. Therefore, we will determine the actual timing of the renovation work after considering the budget and other factors for the entire portfolio.

## 2. Overview of BELS and ZEB Ready Certification

BELS is a third-party certification system in Japan that displays the energy saving performance of buildings. From April 2016, real estate companies (and others) are required to strive to display the energy-saving performance of buildings based on the Act on the Improvement of Energy Consumption Performance of Buildings (“Building Energy Efficiency Act”). The concrete display method is stipulated in the guidelines for energy saving performance display of buildings, BELS is evaluated based on the same guideline, and the evaluation result is represented by the number of stars (one star “★” to five stars “★★★★★”).

A Net Zero Energy Building (“ZEB”) is a building that aims at zero energy balance with considerably reduced annual energy consumption by saving as much energy as possible via better heat insulation, solar shading, natural energy and high-efficiency equipment, coupled with creating energy by photovoltaic power generation (or other energy generating methods), while maintaining a comfortable environment.

In addition, in the BELS certification system, it is possible to obtain certification according to the level of ZEB, ZEB (energy savings of 100% or more), Nearly ZEB (energy savings of at least 75%), ZEB Ready (energy savings of greater than 50%), and ZEB Oriented (Gross floor area 10,000m<sup>2</sup> or more and energy savings beyond the regulation for each application). It is evaluated in 4 stages.

For details about BELS and ZEB, please refer to the URL below.

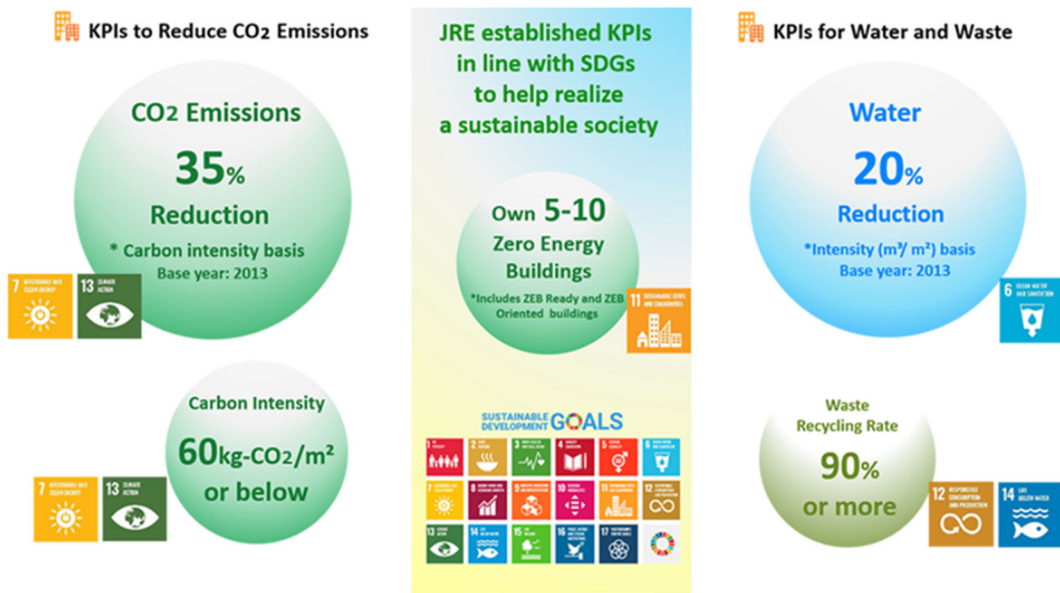
\* BELS: <https://www.hyoukakyokai.or.jp/bels/bels.html> (in Japanese)

\* ZEB: <http://www.env.go.jp/earth/zeb/index.html> (in Japanese)

## 3. JRE’s ZEB Initiative

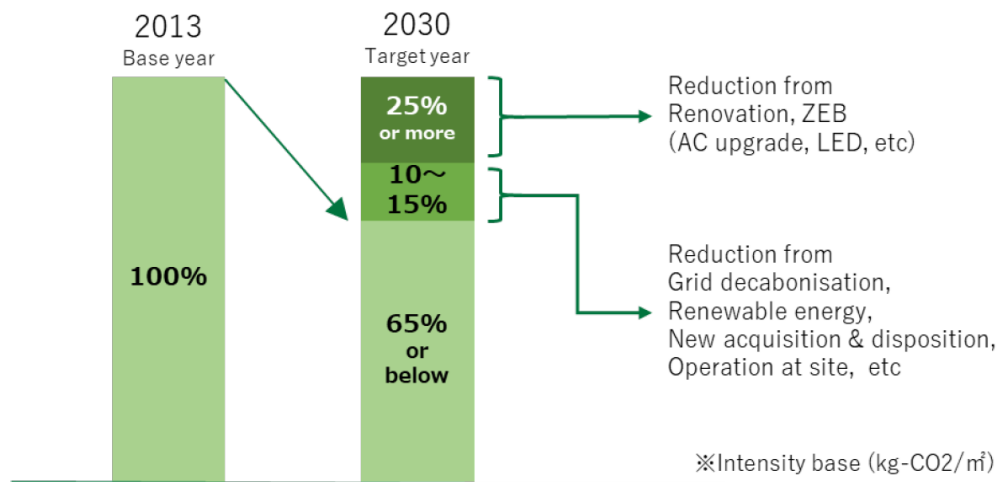
- KPIs for 2030: Own 5-10 Zero Energy Buildings

JRE has established CO2 reduction targets and environmental Key Performance Indicators (KPIs) for 2030 as follows. We agree with the basic approach of the “SDGs (Sustainable Development Goals)” adopted by the United Nations and continue to proactively address climate change.



JRE aims for 35% reduction of CO2 emissions by 2030 (Carbon intensity basis / Base year: 2013). The reduction through ZEB properties will play a significant role in achieving the goal.

< Roadmap for CO2 Emissions Reduction by 2030 >



JRE has acquired the said ZEB Ready Certification in collaboration with Mitsubishi Jisho Sekkei Inc. We will further pursue the future possibility to realize ZEBs through renovations of the existing properties with an aim to achieve the KPIs for 2030.

This is the English translation of the announcement in Japanese dated March 8, 2021.

No assurance or warranties are given for the completeness or accuracy of this English translation.