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For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

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### **Announcement of Incorporating ESG Criteria for Property Acquisition**

Japan Real Estate Investment Corporation (“JRE”) hereby announces that it has decided to add buildings’ ESG (Environmental, Social and Governance) factors as additional criteria for assessing buildings upon property acquisition.

#### **1. Background of Incorporating ESG Factors in Assessment Criteria**

- JRE has been making proactive endeavors on ESG issues in an effort to ensure its sustainable growth.
- In May 2020, JRE announced its environmental Key Performance Indicators (KPIs), including CO<sub>2</sub> emission reduction targets, for 2030.
- In the 2020 GRESB Real Estate Assessment, JRE is selected as “Sector Leader” in the Office - Listed sector in Asia, and ranked first in Japan in that sector for the second straight year.
- By adding buildings’ ESG factors as new criteria for assessing properties upon acquisition, JRE intends to enhance the competitiveness of its portfolio over the long term.

#### **2. ESG Criteria to be Incorporated**

JRE will newly add the following factors to the assessment criteria (such as location and building specifications) it applies when acquiring properties.

- Green building certifications
- Environmental performance including CO<sub>2</sub> emissions

#### **3. Assessment by External Organizations**

In establishing the abovementioned framework, JRE has obtained a second-party opinion from CSR

Design Green Investment Advisory, Co., Ltd.

Going forward, JRE will continue to take sustainability seriously in its asset management.

For more details on JRE's initiatives on ESG, please refer to the following website.

JRE's ESG website: <https://jre-esg.com/en/>

(Reference)

- For more details on the environmental KPIs, please refer to:

Announcement of Setting CO<sub>2</sub> Reduction Targets and KPIs for 2030

URL: <https://www.j-re.co.jp/file/en-news-83eac38711919b607671321e0616e06d08b749e7.pdf>

- For more details on the 2020 GRESB assessment results, please refer to:

Announcement of GRESB Assessment Results (Selected as "Sector Leader")

URL: <https://www.j-re.co.jp/file/en-news-dff24e8d8275255221537ffad653947d864f0ea2.pdf>

This is the English translation of the announcement in Japanese dated December 15, 2020.

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