

September 6, 2018

For Immediate Release

<Investment Corporation>
Japan Real Estate Investment Corporation
Hiroshi Nakajima, Executive Director
(TSE code: 8952)

<Asset Management Company>
Japan Real Estate Asset Management Co., Ltd.
Naoki Umeda, President & CEO
Contact: Ryuta Yoshida
Director, Senior Executive Officer &
General Manager, Planning Department
Phone: +81-3-3211-7951

JRE's Asset Manager Becomes a Signatory to PRI and UNEP FI

Japan Real Estate Asset Management Co., Ltd., the company to which Japan Real Estate Investment Corporation consigns the management of its assets ("the Asset Manager") has become a signatory to the Principles for Responsible Investment ("PRI") and the United Nations Environment Programme Finance Initiative ("UNEP FI").

1. About PRI

PRI comprises an international network of investor signatories that works to realize the Six Principles established for the finance industry in 2006 under the leadership of the then United Nations Secretary-General, Kofi Annan. This network is promoted through the United Nations Environment Programme ("UNEP") and the United Nations Global Compact ("UNGC").

PRI encourages the incorporation of Environment, Social and Governance issues into investment decision-making processes, with the aim to help companies enhance long-term investment performance and better fulfill their fiduciary duty. As of June 2018, approximately 2,000 institutions, representing more than US\$82 trillion in assets under management, have signed on to PRI.

The Asset Manager agreed with the basic approach of PRI and became a signatory in August 2018. At the same time, it has been decided to participate in PRI Japan Network Property Working Group as a committee member.

<The Six Principles>

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.

5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

Signatory of:



2. **About UNEP FI**

UNEP is an agency of the United Nations established by resolution of the United Nations General Assembly in 1972 to implement the Declaration of the United Nations Conference on the Human Environment and the Action Plan for the Human Environment, agreed upon at the United Nations Conference on the Human Environment held in Stockholm in the same year.

UNEP FI is a broad-based and closely knit partnership between UNEP and more than 200 banks, insurance, and securities companies around the world to promote sustainable finance. Since it was established in 1992, it has cooperated with financial institutions, policymakers, and regulatory authorities to promote a shift to a financial system that integrates economic growth and consideration for ESG issues.

The Asset Manager agreed with the basic approach of UNEP FI and became a signatory in August 2018. It is also scheduled to join the UNEP FI Property Working Group. As of August 2018, this working group consisted of 30 representative real estate institutions in the world and promotes and encourages Responsible Property Investment (RPI).



3. **About UNGC**

UNGC is a voluntary, global initiative supporting a global framework for sustainable growth through the demonstration of creative, responsible leadership by the respective corporations and organizations as principled members of society.

First proposed in 1999 by the then United Nations Secretary-General Kofi Annan, participants currently number more than 13,000 organizations and companies based in 160 countries (as of July 2018). It engages in activities based on ten universally-accepted principles in the four areas of human rights, labor, environment, and anti-corruption.

Mitsubishi Estate Co., Ltd. became a signatory of the UNGC and Mitsubishi Estate Group was registered as participants in April 2018. Along with this, the Asset Manager has participated in this initiative as a member of Mitsubishi Estate Group.

WE SUPPORT



4. JRE's ESG initiatives

The Asset Manager established ESG Office in April 2018, with the intention of further strengthening its ESG initiatives. JRE shares with the Asset Manager the same approach to ESG issues, and is promoting new initiatives in partnership with it as follows:

(1) Third-party assurance on non-financial information

Web information on which the 2017 “Energy Performance Results” disclosed on JRE’s website were based has been given a limited assurance from a third party organization (Ernst & Young ShinNihon LLC) in June 2018.

(https://www.j-re.co.jp/img/en/esg/independent_assurance_report.pdf). We are the first J-REIT to receive third party assurance on non-financial information.

(2) Participation in the 2018 CDP climate change questionnaire

CDP is an international NGO working on environmental area such as climate change. By using questionnaires, CDP collects information on the CO2 emissions and climate-change related initiatives from the world’s leading companies and evaluates them. In 2016, 1,089 companies responded to its questionnaires, of which 261 were Japanese companies. The combined market capitalization of respondent companies reached US\$35 trillion (approximately ¥4,000 trillion), representing 12% of total global greenhouse gas emissions.

For more information on our ESG initiatives, please refer to the following website:

JRE’s website: <https://www.j-re.co.jp/en/esg/index.html>

The Asset Manager’s website: <http://www.j-rea.co.jp/en/employee/index.html>

JRE will continue to engage in asset management practices giving consideration to ESG.

This is the English translation of the announcement in Japanese dated September 6, 2018.

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