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For Immediate Release

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Issuance of Investment Corporation Bonds (Green Bonds) (Sustainability-Linked Bonds)

GLP J-REIT hereby announces that it today made a decision to issue “GLP J-REIT 18th Unsecured Bonds (Sustainability-Linked Bonds (Note 1))” (hereinafter, the “Sustainability-Linked Bonds”) as described below, following a resolution passed at its board of directors meeting held on September 13, 2021. In addition, we would like to announce that Dai-ichi Life Group (The Dai-ichi Life Insurance Company, Limited, Dai-ichi Frontier Life Insurance Co., Ltd., and The Neo First Life Insurance Company, Limited) have expressed their intention to invest 6 billion yen equivalent to total issue amount in the Sustainability-Linked Green Bond upon the determination of the conditions.

The Sustainability-Linked Bonds will be the world’s first Reward-type (Note 2) (interest rates are cut when the Sustainability Performance Targets are achieved) sustainability-linked bonds among the global public bonds market. By introducing this new structure, GLP J-REIT will diversify the means of finance, and believes this issuance as contributing to realize decarbonized society by expanding ESG bonds market.

With the issuance of the Sustainability-Linked Bonds, the total amount of ESG bonds (Note 3) issued by GLP J-REIT is expected to reach 37.6 billion yen, maintaining it the top J-REIT in terms of ESG bonds outstanding.

(Note 1) Sustainability-Linked Bonds (“SLBs”) are bond instruments for which the terms change depending on whether the issuer achieves pre-determined sustainability/ESG objectives. SLBs are assessed based on Key Performance Indicators (KPIs) and Sustainability Performance Targets (SPTs) predefined by the issuer. Sustainability-Linked Bonds is a SLB in which all funds raised are used for projects that contribute to solving environmental problems, i.e., “green projects”.

(Note 2) Reward-Type refers to a structure which includes a step-down provision based on achievement of KPIs or SPTs.

(Note 3) ESG bonds consist of sustainability bonds, green bonds, and sustainability-linked bonds

1. Summary of the Sustainability-Linked Bonds

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|------------------------------|---|
| (1) Name | GLP J-REIT 18th Unsecured Bonds (Special pari passu conditions among specified investment corporation bonds) (Green Bonds) (Sustainability-Linked Bonds) |
| (2) Total issue amount | 6,000 million yen |
| (3) Form of bond certificate | Subject to the provisions of the Act on Book-Entry of Corporate Bonds and Shares, bond certificates will not be issued. |
| (4) Amount to be paid in | 100 yen per 100 yen of each bond |
| (5) Redemption price | 100 yen per 100 yen of each bond |
| (6) SPTs | 80% or more coverage rate of the properties that obtained High-ranks in environmental certification (Note 1) among properties owned by GLP J-REIT (Based on Gross Floor Area) |
| (7) Interest rate | An interest rate of 0.284% per annum will be applied during the period from the day immediately following September 28, 2021 through September 28, 2025.
An interest rate of 0.234% per annum will be applied from the day immediately following September 28, 2025 if GLP J-REIT determines |

	that SPTs is achieved as of each Observation date after the end of December 2024
(8) Observation reference date	The first date will be the end of December, 2024, and the end of each year until the Redemption date
(9) Observation date	The first date will be July 28, 2025, and the anniversary of each year until the Redemption date
(10) Denomination price	100 million yen
(11) Offering method	Public Offering
(12) Subscription date	September 17, 2021
(13) Payment date	September 28, 2021
(14) Collateral, guarantee	Neither collateral nor guarantee is provided for the Sustainability-Linked Bonds, and no asset has been particularly secured for the Sustainability-Linked Bonds.
(15) Redemption method and date	The total amount of the Sustainability Bonds will be redeemed on September 28, 2028. Redemption by purchase will be available any time on and after the following days of the payment dates except for the case separately determined by the depository.
(16) Interest payment date	The end of March and September of every year (An interest payment date that falls on a bank holiday will be moved to the preceding business day.)
(17) Financial covenant	Negative pledge among unsecured bonds
(18) Credit rating	AA by Japan Credit Rating Agency, Ltd. (JCR)
(19) Fiscal agent, issuing agent and payment agent	Sumitomo Mitsui Banking Corporation
(20) Underwriter	Citigroup Global Markets Japan Inc.
(21) Sustainability-Linked Bond Structuring Agent (Note 2)	Citigroup Global Markets Japan Inc.

GLP J-REIT has obtained a Green1 rating, the highest for Green Bond Evaluation (Note 3), for the Sustainability-Linked Bonds, from the Japan Credit Rating Agency, Ltd. (JCR), a third-party evaluation agency.

(Note 1) High-ranks in environmental certification include five, four, or three stars at DBJ Green Building Certification, S, A, or B+ at CASBEE, five, four, three at BELS, Platinum, Gold, or Silver at LEED or equal to or greater than these ranks at the successor to these certifications.

(Note 2) Sustainability-Linked Bond Structuring Agent is an entity that provides support for the issuance of sustainability-linked bonds through the development of a sustainability-linked bond framework and advice on obtaining second-party opinions.

(Note 3) For an overview of the "JCR Green Bond Evaluation ", please refer to "3. Structure of the Sustainability-Linked Bonds (1) Eligibility as sustainability-linked bonds" below.

2. Reason for the issuance

GLP J-REIT aims to diversify sources of financing and further strengthen the financial base by expanding investor base willing to invest in ESG through the issuance of the Sustainability-Linked Bonds.

The SPTs of the Sustainability-Linked Green Bond are linked with ESG targets on the ESG Report issued by GLP J-REIT in April 2021. GLP J-REIT believes that the issuance of the Sustainability Linked-Bonds accelerate GLP J-REIT's ESG activities and contribute to achieve the ESG targets.

3. Structure of the Sustainability-Linked Bonds

(1) Eligibility as sustainability-linked bonds

In order to issue the Sustainability-Linked Bonds, GLP J-REIT has received confirmation from Japan Credit Rating Agency, Ltd. ("JCR") regarding its compliance with the "Green Loan and Sustainability-Linked Loan Guidelines 2020" (Note 1) of the Ministry of the Environment and the "Sustainability-Linked Bond Principles 2020" (Note 2) of the International Capital Market Association ("ICMA"). With regard to the conformity assessment of the Green Bonds, GLP J-REIT

has received a preliminary assessment of “Green1,” the highest level of the "JCR Green Bond Evaluation," (Note 3) from JCR to the effect that we conform to the "Green Bond Guidelines 2020" (Note 4) of the Ministry of the Environment and the "Green Bond Principles 2021" (Note 5) of ICMA. Please refer to the news release issued by JCR today for the valuation.

Furthermore, through the issuance of the Sustainability Bonds, JCR has received the notification of decision to grant the subsidy from the Green Finance Organization, making the assignment of third-party evaluation of the green finance framework of the Investment Corporation eligible for grant of the subsidy. (Note 6)

(Note 1) Green Loan and Sustainability-Linked Loan Guidelines 2020 refer to the guidelines formulated and published in March 2020 by the Ministry of the Environment of Japan, and are hereafter referred to as the "Green Loan and Sustainability-Linked Loan Guidelines.

(Note 2) Sustainability-Linked Bond Principles (2020 edition) refers to the guidelines published by the International Capital Market Association (ICMA) in June 2020 which recommend structuring features, disclosure, reporting, and other aspects of sustainability-linked bonds

(Note 3) "JCR Green Bond Evaluation" is a third-party evaluation by JCR of the Green Bonds to be issued based on the Green Bond Principles formulated by ICMA and the 2020 Green Bond Guidelines formulated by the Ministry of the Environment. Under this evaluation, a "greenness evaluation" that assesses whether the funds raised by the Green Bonds will be used for green projects and a "management, operation and transparency evaluation" that assesses the management and operation framework and the transparency of the bond-issuing entity are performed, and a "JCR Green Bond Evaluation" is determined as an overall evaluation of those two assessments.

(Note 4) Green Bond Guidelines 2020 refers to the guidelines formulated and published in March 2017 and revised in March 2020 by the Ministry of the Environment of Japan with the aim to further promote green bond issuance and investment in Japan, in accordance with the Green Bond Principles, by providing market participants with illustrative examples and interpretations tailored to the Japanese market which they can use as reference when considering specific approaches regarding green bonds.

(Note 5) The Green Bond Principles 2021 was established by the Green Bond Principles Executive Committee, a non-governmental body to which the ICMA acts as secretariat, to provide guidelines to follow in issuing green bonds.

(Note 6) Financial Support Program for Green Bond Issuance refers to the program that provides subsidies for the expenses incurred by registered issuance supporter that support companies, municipalities and other bodies who seek to issue green bonds in granting outside review, consultation on establishing a Green Bond Framework, etc. The requirements for eligible green bonds and others are as follows: in the case of green bonds, the entire proceeds of the bonds must be used for the Green Projects; in the case of sustainability bond, not less than half of proceeds of the bonds must be used for Green Projects, and all of the following must be satisfied at the time of issuance.

- (i) Has to satisfy any of the following at the time of issuance of the green bonds:
 - 1) A project that contributes mainly to domestic decarbonization (renewable energy, energy efficiency, etc.)
 - Projects for which equal to or more than half of the proceeds, or equal to or more than half of the number of projects are domestic decarbonization-related project.
 - 2) Has high effects on decarbonization and vitalization of local economy
 - Decarbonization effects - Those whose subsidy amount per ton of domestic CO2 reduction is less than the specified amount
 - Effects of vitalization of local economy - Projects that are expected to contribute to effects on vitalization of local economy as part of the ordinance and plan, etc. decided by the municipality, projects for which investment by municipalities can be anticipated, etc.
- (ii) The Green Bond Framework has to be confirmed by an external review organization for compliance with the Green Bond Guidelines before issuance.
- (iii) It is not a so-called green-wash bond

(2) Eligible Green Projects

Eligible Green Projects are assets or projects that satisfy the Eligible Green Project Criteria shown below:

<Eligible Green Project Criteria>

Green buildings:

New, existing, or refurbished buildings certified in at least one of the following categories:

- i) DBJ Green Building Certification (Japan): five, four, or three stars
- ii) CASBEE (Japan) S, A, or B+
- iii) BELS (Japan): five, four, or three

iv) LEED (U.S.): Platinum, Gold, or Silver

As described in “4. Amount of funds to be raised, use of proceeds and scheduled timing of expenditure”, GLP J-REIT plans to use the proceeds from the Sustainability-Linked Bonds for prepayment of the short-term loan to refinance the loan received for acquiring GLP Kobe-Nishi and GLP Zama. GLP Kobe-Nishi has obtained five stars at BELS and GLP Zama has obtained LEED Platinum. Both are High-ranks in accordance with the definition of SPTs.

(3) Definition of SPTs

In issuing the Sustainability-Linked Bonds, GLP J-REIT has set the target of over 80% at the coverage rate of the properties that obtained at least one High-rank in environmental certification among properties owned by GLP J-REIT, based on Floor Area.

At the end of August, 2021, the coverage rate was 67%, and GLP J-REIT is further taking the measure to obtain environmental certification in order to achieve SPTs on the end of December 2024, the first judgment reference date. Specifically, GLP J-REIT will promote collaboration in environmental load reduction with tenants by green lease contracts, and will install environmental-friendly equipment such as LED lightings, renewed air conditioning equipment, and rainwater and well water utilization system.

(4) Determination of the achievement status of SPTs and the application of Reward

The Sustainability-Linked Bond is structured as a Reward-type that an interest rate of 0.234% (0.05% reward compared with the initial interest rate) will be applied from the day immediately following after September 28 of the following year of the Observation reference date if SPTs is achieved as of the Observation reference date. The first Observation reference date will be the end of December, 2024 and the first reward applicable date will be September 28, 2025.

The achievement status of SPTs is determined every year until the Redemption date. An interest rate of 0.234%, the same as after the reward of 0.05%, will be applied if SPTs is achieved as of the Observation reference date, and an interest rate of 0.284%, the same as initial interest rate, will be applied from the day immediately following September 28 of the following year of the Observation reference date if SPTs is not achieved as of the Observation reference date.

(5) Maximum amount of the proceeds to be raised by green finance effective After the issuance of the Sustainability-Linked Bonds

After the issuance of the Sustainability-Linked Bonds, GLP J-REIT has a total of 39 Eligible Green Projects with a total acquisition cost of 544.3 billion yen. GLP J-REIT sets the maximum amount of the proceeds to be raised by green finance at 240.1 billion yen after the issuance of the Sustainability-Linked Green Bond, the estimated amount of debts calculated by multiplying the total acquisition cost of 544.3 billion after the issuance of the Sustainability-Linked Bonds by 44.1%, the interest-bearing liabilities ratio as of August 31, 2021.

4. Amount of funds to be raised, use of proceeds and scheduled timing of expenditure

(1) Amount of funds to be raised (estimated net proceeds)

5,963 million yen

(2) Specific use of proceeds and scheduled timing of expenditure

GLP J-REIT plans to use the proceeds from the Sustainability-Linked Bonds for prepayment of the short-term loan due on April 30, 2022. (All of the proceeds from the said loan were used to refinance the loan received for acquiring GLP Kobe-Nishi, a specified asset that meets the criteria of Eligible Green Projects) and partial prepayment of the short-term loan due on July 15, 2022. (All of the proceeds from the said loan were used to refinance the loan received for acquiring GLP Zama, a specified asset that meets the criteria of Eligible Green Projects). (Planned date of prepayment; September 30, 2021)

5. Loan status, etc. after the issuance of the Sustainability-Linked Bonds

(Unit: million yen)

	Before the issuance of the Sustainability-Linked Bonds	After the issuance of the Sustainability-Linked Bonds (Note 2)	Increase (Decrease)
Short-term loans (Note 1)	56,560	50,560	(6,000)
Long-term loans (Note 1)	245,260	245,260	-
Total loans	301,820	296,820	-
Investment corporation bonds	44,700	50,700	+6,000
Total of loans and investment corporation bonds	346,520	346,520	-

(Note 1) Short-term loans refer to loans with a maturity period of one year or less as from today for “Before the issuance of the Sustainability-Linked Bonds”, and as of September 30, 2021 for “After the issuance of the Sustainability-Linked Bonds”, and long-term loans refer to loans with a maturity period of more than one year as from today for “Before the issuance of the Sustainability-Linked Bonds”, and as of September 30, 2021 for “After the issuance of the Sustainability-Linked Bonds”.

(Note 2) “After the issuance of the Sustainability-Linked Bonds” are based on the assumption of issuance of the Sustainability-Linked Bonds.

6. Other matters necessary for investors’ appropriate understanding and judgment of the concerned information

With respect to the risks associated with redemption, etc. of the Sustainability-Linked Bonds, there has been no important changes to the content of “Investment Risks” stated in the securities registration statement submitted on June 25, 2021.

7. Reporting

(1) Reporting on Sustainability-Linked Bonds

With regard to the achievement status of SPTs of the Sustainability-Linked Green Bond, GLP J-REIT will obtain a limited verification report from JCR and publish it by the first Observation date of July, 2025 and each subsequent Observation date, respectively.

(2) Reporting on Green Bonds

GLP J-REIT will publish the allocation status of the fund proceeds from Green financing on its website. The reports will be published once every year until the outstanding balance of the concerned green financing become zero. Further, as long as there remains any outstanding balance in its Green financing, GLP J-REIT will disclose the following benchmarks as of the end of February of each year on its website.

< Reporting on the Status of Proceeds >

- Total amount of bond proceeds that has been used
- Number of properties under Eligible Green Projects
- Unused amount of bond proceeds

< Reporting on Positive Environmental Impacts >

- Level of environmental certification obtained (DBJ Green Building, CASBEE, BELS, LEED)
- Annual CO2 reduction effect of the relevant renewable energy-based power generation facility

In the event of non-appropriation of funding, for instance, due to the sale of the Eligible Green Project that was to be financed by the funding, GLP J-REIT discloses such facts on its website upon approval from CFO of GLP Japan Advisors.

*GLP J-REIT website address: <https://www.glpjreit.com/en/>