

Think bold today for a brighter tomorrow.



Japan Metropolitan Fund Investment Corporation

March 30, 2022

Investment Corporation

Japan Metropolitan Fund Investment Corporation

(Tokyo Stock Exchange Company Code: 8953)

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Asset Management Company

Mitsubishi Corp.-UBS Realty Inc.

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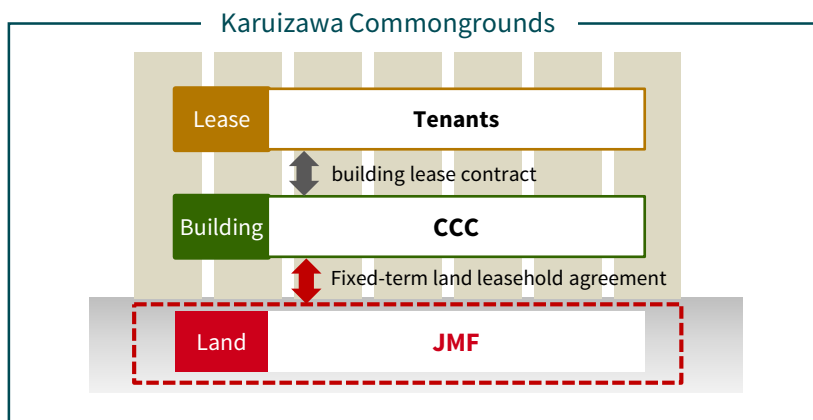
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Supplemental Material Concerning Press Release Dated March 30, 2022

Notice Concerning Acquisition of Real Estate in Japan (Positive Impact Real Estate Investment)
(Karuizawa Commongrounds (Land with leasehold interest))

JMF will collaborate with CCC and participate in the creation of a local community in Karuizawa as the owner of the land with leasehold interest.

Outline of the Acquisition



| | |
|--------------------|---|
| Property name | Karuizawa Commongrounds (Land with leasehold interest) |
| Location | 1689-2, Aza-Toriiharawaki, Oaza-Nagakura, Karuizawa-machi, Kitasaku-gun, Nagano, etc. |
| Seller | Culture Convenience Club Co.,Ltd. (“CCC”) |
| Tenant | CCC |
| Type of contract | Fixed-term land leasehold agreement for business use |
| Period of contract | 49 years |

Outline of Karuizawa Commongrounds

1 Local community hub

A bookstore, cafe and other facilities will contribute to a lively local community and fostering of culture, functioning as a community hub.



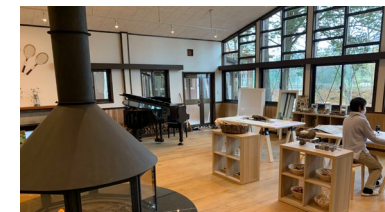
2 Workplace

Shared offices and coworking spaces will be installed as corporate offices and personal working spaces.



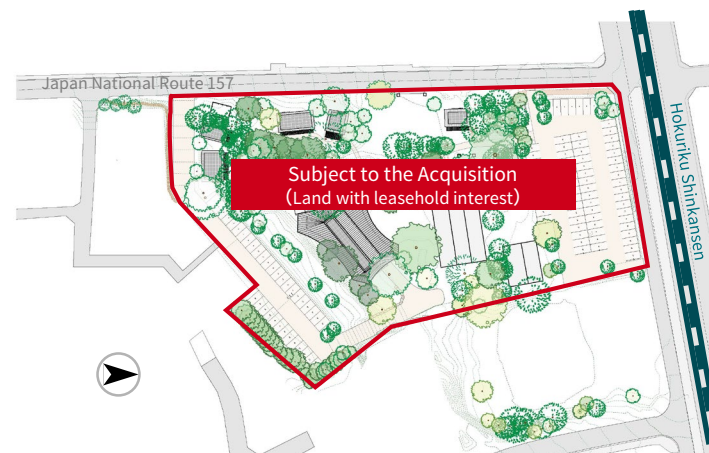
3 Learning environment

An international learning environment will be provided by international standard after-school services for schoolchildren and an international children’s library.

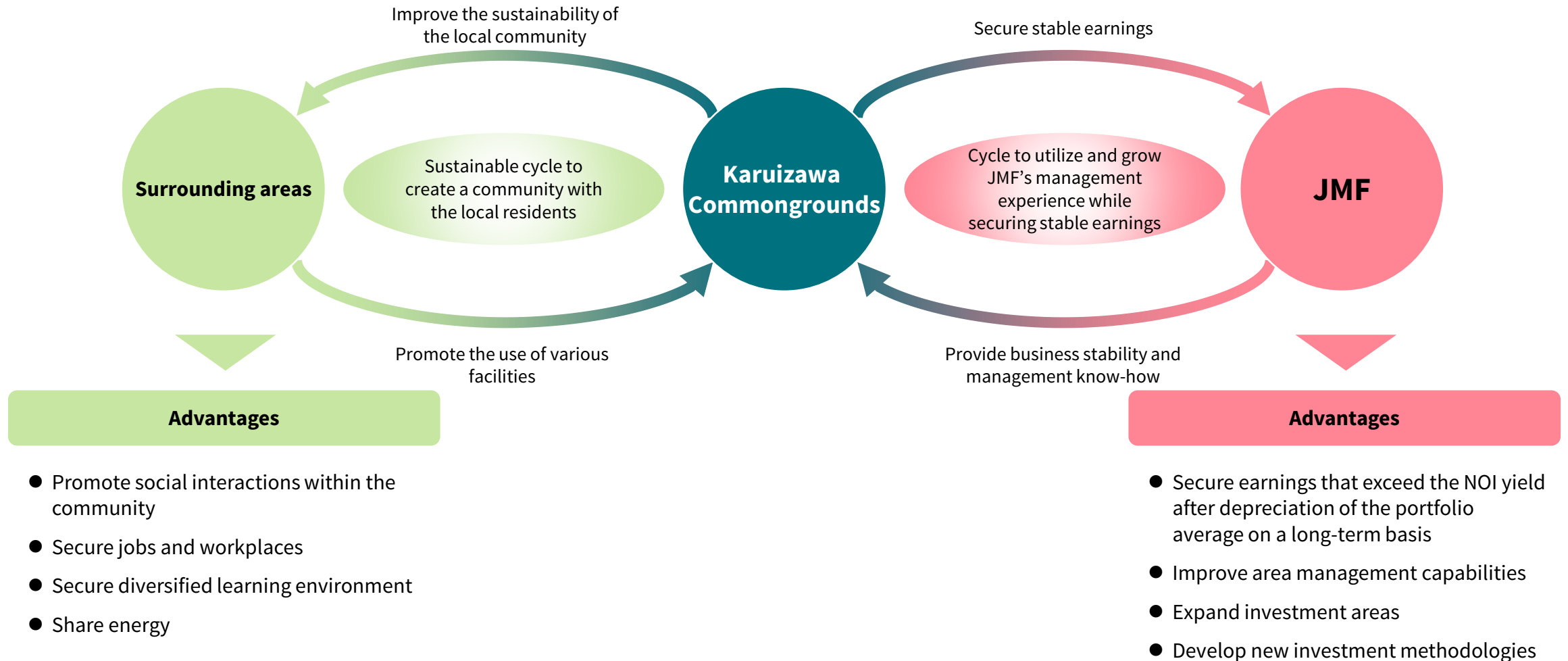


4 Energy sharing

The facility will use renewable energy for its electricity source and share energy with the adjacent residential areas by purchasing their surplus electricity to cover its shortfall.





This project will contribute to improving the sustainability of the local community and secure stable earnings at the same time.



The Acquisition also complies with the Principles for Positive Impact Finance.

Core impacts of the Acquisition (Identified pursuant to the Positive Impact Real Estate Investment Framework)

| Core Impacts | | KPIs to Identify Impacts |
|--|---|---|
| | Reduce carbon emissions in development and operation | <ul style="list-style-type: none"> ● Energy consumption ● CO2 emissions ● Renewable energy generation by solar panels ● Self-sufficiency ratio through renewable energy ● BEI value by new construction or renovation ● Percentage of local building materials used in new construction or renovation ● Number of EV-sharing introduced and used |
| <p>Increase positive impacts</p>   | Contribute to improving the wellbeing of users through operation of a community “hub” | <ul style="list-style-type: none"> ● Approximate number of visitors to the entire facility ● Number of registered users of shared offices, their attributes and satisfaction levels ● Number of events held in the facility and their characteristics |
| Reduce negative impacts | Reduce carbon emissions in operation | <ul style="list-style-type: none"> ● Energy consumption and intensity ● CO2 emissions and intensity ● Percentage of LEDs in all lighting equipment in the facility |

Third-Party Opinion on the Impact Investment by Japan Metropolitan Fund Investment Corporation (Outline)

CSR Design Green Investment Advisory Co., Ltd.

This document was prepared to provide an independent opinion on whether the Impact Investment Project (the "PJ") to the "KARUIZAWA COMMONGROUNDS" (the "Property") published on March 30, 2022 by Japan Metropolitan Fund Investment Corporation (the "JMF") and its asset management company, Mitsubishi Corp.-UBS Realty Inc. (the "MCUBS") is aligned with the concept of the "the Principles for Positive Impact Finance" (the "PIF Principles") advocated by the United Nations Environment Programme Financial Initiative (the "UNEP FI") and the "Positive Impact Real Estate Investment Framework" (the "PI RE Framework").

Our opinion is established based on the published information about JMF and MCUBS's sustainability structure/performance and interviews to the project team formed by MCUBS, and Culture Convenience Club Co., Ltd. (CCC), which is the developing and operating entity of the Property.

As our conclusion, [we have confirmed that the investment process and commitments by JMF and MCUBS for this PJ are aligned with the PIF Principles and PI RE Framework.](#)

In order to establish this opinion, the following points were taken into consideration:

① Sustainability management system and performance

We believe that JMF and MCUBS have built clear governance structures for sustainability and have excellent environmental, social and governance (ESG) performance records.

② Alignment with PIF Principles and PI RE Frameworks of this PJ

we confirmed the consistency with the "Four Objectives" outlined in the PI RE as follows.

i) "Clarity of impact"

MCUBS conducted a holistic impact analysis defined in the PI RE Framework and identified the positive impact to be achieved in this PJ and the negative impact to be mitigated and managed.

ii) Market and sustainable return

JMF and MCUBS have confirmed that the PJ is capable of realizing stable long-term returns with 49-year fixed-term land lease contracts based on sales and leasebacks and that the sales price of the PJ was reasonable in comparison with neighboring vacant land transactions. JMF and MCUBS also confirm that the investment exceeds the NOI yield after depreciation of the JMF portfolio average.

iii) Measurement of Impact

MCUBS has predefined KPIs for the positive and negative impacts associated with this PJ. JMF and MCUBS have expressed their commitment to continuously disclosing the measurement results of these indicators.

iv) Additional Finance and/or Impact Flows

JMF and MCUBS regard this PJ as an opportunity to expand the range of ESG activities, to help expand investment opportunities, and to utilize the relationship and know-how for horizontal expansion to other properties. We believe that such pioneering efforts by listed REITs will have a certain impact on the market and are significant as valuable advanced examples.

③ Alignment with the "Principles for Positive Impact Finance"

In the process of confirming that the content of this PJ is consistent with the "Four Objectives" of the PI RE Framework, we also confirmed that this PJ is aligned with the four Principles of the PIF Principles: Definitions, Framework, Transparency, and Assessment.

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Japan Metropolitan Fund Investment Corporation

Disclaimer

- This material may contain information such as data on future performance, plans, management targets, and strategies. Such descriptions with regard to the future are based on current hypotheses and assumptions about future events and trends in the business environment, but these hypotheses and assumptions are not necessarily correct. As such, actual results may vary significantly due to various factors.
- This material is prepared based on Japanese accounting principles unless otherwise noted.
- This material relates to the press releases dated March 30, 2022, and is not prepared for the purpose of soliciting the acquisition of JMF's investment securities or the signing of financial instruments contracts. When investing, we ask investors to invest on their own responsibility and their own judgment.
- JMF is a publicly-offered real estate investment corporation (J-REIT) investing in real estate and related assets the prices of which may fluctuate. Unitholders of the Investment Corporation may suffer loss when unit prices decline in the market or an amount of distributions declines, according to economic and interest rate circumstances, a balance of supply and demand for units, real estate market environment, fluctuations of prices of, and rent revenues from real estate properties under management, disasters, aggravation of financial status of JMF and other reasons. For details, please see "Investment Risk" in the Securities Registration Statement (offering circular) and the Securities Report of JMF.

Asset Management Company : Mitsubishi Corp.- UBS Realty Inc.

(Financial Instruments Dealer Director of Kanto Financial Bureau (Financial Instruments Dealer) Number 403, Member of The Investment Trusts Association, Japan)