

September 25, 2023

For Immediate Release

Real Estate Investment Trust Securities Issuer:
GLP J-REIT
Representative: Yoshiyuki Miura, Executive Director
(Security Code: 3281)
Asset Management Company:
GLP Japan Advisors Inc.
Representative: Yoshiyuki Miura, President
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Partial Amendment to Asset Management Guideline

GLP Japan Advisors Inc. (“Asset Management Company”), to which GLP J-REIT entrusts the management of its assets, has decided at its Investment Committee and Board of Directors meeting held today to partially amend the Asset Management Guideline setting forth the asset management policy for GLP J-REIT as explained below.

1. Reason for Amendment

(1) Amendment in Investment Area (Ratio of Investment by Area)

While the focus of the investment area will be in the Tokyo metropolitan area and Greater Osaka area, GLP J-REIT will seek to establish stable portfolio by investing in other areas as well.

As both Tokyo metropolitan area and Greater Osaka area have been matured and demand for modern logistics facility is expanding nationwide comparing to the early stages of logistics real estate market, the ratio of investment by area will be amended from “50-70% for the Tokyo metropolitan area, 20-40% for the Greater Osaka area, and 5-20% for other areas” to “70% or higher for the Tokyo metropolitan and Greater Osaka areas and 30% or lower for other areas”.

(2) Establish New Sections related to Investment in Development Projects including Redevelopment

For the purpose of achieving further income and growth of the portfolio, GLP J-REIT has made decision to establish new sections which enable invest in development projects including redevelopment. The Asset Management Guideline has been amended in order to establish the basic policy and investment criteria related to investment in development projects.

2. Effective Date of Amendment

September 25, 2023

3. Details of Amendment

Please refer to the Attachment.

4. Future Outlook

There is no change to the forecast concerning the operating status and dividend distribution of GLP J-REIT due to the partial amendment to the Asset Management Guideline above.

5. Others

With regard to the above partial amendment to the Asset Management Guideline, GLP J-REIT will file an extraordinary report with the Kanto Local Finance Bureau as of today in accordance with the Financial Instruments and Exchange Act of Japan.

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

(Attachment) ※Amendments are highlighted with underline.

Before Amendment	After Amendment														
<p>(1) Basic Investment Policy (Newly implemented)</p>	<p>(1) Basic Investment Policy <u>(C) Investment in Development Projects</u> <u>In managing the assets of GLP J-REIT, we may invest in development projects for which the construction of modern logistics facilities is expected for the purpose of achieving and expanding stable earnings from the portfolio over the medium to long term. In addition, GLP J-REIT may be the orderer of a contract for the construction of a building for a development project related to the reconstruction, extension or renovation of an owned asset, and GLP J-REIT may also sell the building portion of an owned asset to a third party and set up a right of use of land with leasehold interest by the seller, and allow the seller to carry out the reconstruction, extension or renovation.</u></p>														
<p>(3) Portfolio Development Policy (A) Investment Area</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Area</th> <th style="text-align: center;">Investment Ratio</th> </tr> </thead> <tbody> <tr> <td>Tokyo metropolitan area</td> <td style="text-align: center;">50~70%</td> </tr> <tr> <td>Greater Osaka area</td> <td style="text-align: center;">20~40%</td> </tr> <tr> <td>Other areas</td> <td style="text-align: center;">5~20%</td> </tr> </tbody> </table>	Area	Investment Ratio	Tokyo metropolitan area	50~70%	Greater Osaka area	20~40%	Other areas	5~20%	<p>(3) Portfolio Development Policy (A) Investment Area</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Area</th> <th style="text-align: center;">Investment Ratio</th> </tr> </thead> <tbody> <tr> <td>Tokyo metropolitan area <u>and Greater Osaka area</u></td> <td style="text-align: center;"><u>70% or higher</u></td> </tr> <tr> <td>Other areas</td> <td style="text-align: center;"><u>30% or lower</u></td> </tr> </tbody> </table>	Area	Investment Ratio	Tokyo metropolitan area <u>and Greater Osaka area</u>	<u>70% or higher</u>	Other areas	<u>30% or lower</u>
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<p>(3) Portfolio Development Policy (B) Investment Criteria (Logistics Facilities) From the standpoint of achieving stable earnings, we will invest in logistics facilities with stable operations or assets which are assets ancillary to or related to those logistics facilities in managing the assets of GLP J-REIT. Specifically, we will invest in logistics facilities or assets which are assets ancillary to or related to those logistics facilities which have been completed at least one year prior or have occupancy rates of at least 93% at the time when the acquisition is decided upon or made.</p>	<p>(3) Portfolio Development Policy (B) Investment Criteria (Logistics Facilities) From the standpoint of achieving stable earnings, we will invest in logistics facilities with stable operations or assets which are assets ancillary to or related to those logistics facilities in managing the assets of GLP J-REIT. Specifically, we will invest in logistics facilities or assets which are assets ancillary to or related to those logistics facilities which have been completed at least one year prior or have occupancy rates of at least 93% at the time when the acquisition is decided upon or made. <u>When acquiring (C) land with leasehold interest or (D) properties developed by third parties in development projects, we will invest in such land with leasehold interest or</u></p>														

	<p><u>properties for which stable operation is expected after completion by placing emphasis on location and functionality, among others.</u></p>								
<p>(3) Portfolio Development Policy (Newly implemented)</p>	<p>(3) Portfolio Development Policy (D) Investment Criteria (Development Projects)</p> <p>a. <u>In managing the assets of GLP J-REIT, we may invest in development projects for which the construction of modern logistics facilities is expected from the standpoint of achieving and expanding stable earnings from the portfolio over the medium to long term.</u></p> <p>b. <u>When investing in a development project, we will make investment decisions by considering the following criteria, among other factors by placing emphasis on the scale, functionality, etc., of the logistics facility to be completed through development.</u></p> <table border="1" data-bbox="810 958 1326 1910"> <tr> <td data-bbox="810 958 1054 1070"><u>Occupancy Status</u></td> <td data-bbox="1054 958 1326 1070"><u>Stable operation is expected after completion</u></td> </tr> <tr> <td data-bbox="810 1070 1054 1682"><u>Risk Analysis and Management</u></td> <td data-bbox="1054 1070 1326 1682"> <u>Risks related to real Estate development, such as the followings, are appropriately analyzed and managed:</u> <u>- development risk</u> <u>- approval risk</u> <u>- completion risk</u> <u>- tenant risk</u> <u>- price (fluctuation) risk</u> <u>- risk of interest rate fluctuation during development</u> <u>- large-scale natural disaster risk</u> </td> </tr> <tr> <td data-bbox="810 1682 1054 1839"><u>Investment Method</u></td> <td data-bbox="1054 1682 1326 1839"><u>The investment method is appropriate, based on the nature of development.</u></td> </tr> <tr> <td data-bbox="810 1839 1054 1910"><u>Business Progress</u></td> <td data-bbox="1054 1839 1326 1910"><u>Business progress of the development is</u></td> </tr> </table>	<u>Occupancy Status</u>	<u>Stable operation is expected after completion</u>	<u>Risk Analysis and Management</u>	<u>Risks related to real Estate development, such as the followings, are appropriately analyzed and managed:</u> <u>- development risk</u> <u>- approval risk</u> <u>- completion risk</u> <u>- tenant risk</u> <u>- price (fluctuation) risk</u> <u>- risk of interest rate fluctuation during development</u> <u>- large-scale natural disaster risk</u>	<u>Investment Method</u>	<u>The investment method is appropriate, based on the nature of development.</u>	<u>Business Progress</u>	<u>Business progress of the development is</u>
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	<p><u>Impact on the Entire Portfolio</u></p>	<p><u>appropriately monitored</u></p> <p>There will be no significant impact on the entire portfolio, considering that the development is unlikely to immediately generate cash flows.</p>	
<p>(3) Portfolio Development Policy (E) Due Diligence Standards (Newly implemented)</p>	<p>(3) Portfolio Development Policy (E) Due Diligence Standards</p>	<p><u>c. When investing in a legal entity engaging in development, investment decisions will be made upon confirming that:</u></p> <ul style="list-style-type: none"> <u>i) the investment is not restricted by any laws or regulations imposed on GLP J-REITs;</u> <u>ii) the legal entity and related parties have the ability and aptitude to carry out development;</u> <u>iii) the appropriateness of the structure can be verified; and</u> <u>iv) the legal entity complies with various laws and regulations imposed on it.</u> 	<p><u>e. When investing in a development project, among the items specific to development projects listed in Appendix 1 "Due Diligence Standards (Additional Items for Development Projects)," due diligence will be conducted on those that are deemed necessary, in addition to the items included in Appendix 1 "Due Diligence Standards."</u></p>

<p>(4) Portfolio Management Policy (C) Major Repair & Maintenance Works We will conduct appropriate major repair & maintenance works and spend capex to maintain and improve fiscal & functional value of assets under management as well as avoid decrease of competitiveness asset under management by deterioration.</p> <p><u>We will conduct appropriate renewal works and spend capex based on request from tenants and to improve tenant satisfaction and enhance leasing capability.</u></p> <p>We will conduct appropriate expansion works and re-construction based on request from tenants and enhance flexibility to capture demand for leasing spaces.</p> <p>Major repair & maintenance works will be conducted up to the depreciation amount on each property, which will be considered based on the total depreciation of the portfolio by size and purpose of the works <u>(especially expansion and re-construction works).</u></p>	<p>(4) Portfolio Management Policy (C) Major Repair & Maintenance Works We will conduct appropriate major repair & maintenance works and spend capex to maintain and improve fiscal & functional value of assets under management as well as avoid decrease of competitiveness asset under management by deterioration.</p> <p>We will conduct appropriate expansion works and re-construction based on request from tenants and enhance flexibility to capture demand for leasing spaces.</p> <p>Major repair & maintenance works will be conducted up to the depreciation amount on each property, which will be considered based on the total depreciation of the portfolio by size and purpose of the works.</p>
<p>(Newly implemented)</p>	<p><u>(Add the following table in Appendix 1)</u> <u>Due Diligence Standards (Additional Items for Development Projects)</u></p>

(Table for “Due Diligence Standards (Additional Items for Development Projects”)

<u>Due Diligence Item</u>		<u>Description</u>
<p><u>Risk</u></p>	<p><u>Development risk, approval risk, and completion risk</u></p>	<ol style="list-style-type: none"> 1. <u>Development availability and expectation of obtaining development approval</u> 2. <u>Validity of general contractor selection</u> 3. <u>The possibility of construction delays and general contractor bankruptcies, and countermeasures therefor</u> 4. <u>Monitoring methods for event progress</u> 5. <u>Impact of a major natural disaster</u>
	<p><u>Various economic conditions</u></p>	<ol style="list-style-type: none"> 1. <u>Probability of securing development funds</u> 2. <u>Response to interest rate fluctuations during the development period</u> 3. <u>Response to fluctuations in construction costs</u>

		<ul style="list-style-type: none"> 4. <u>Prospect of stable operation after completion</u> 5. <u>Verification of the risk of income and expenditure fluctuations after operation</u>
<u>Investment adequacy</u>	<u>Investment method</u>	<ul style="list-style-type: none"> 1. <u>Validity of investment methods</u> 2. <u>Structure</u> 3. <u>Ability and aptitude of related parties</u> 4. <u>Impact on overall portfolio</u> 5. <u>Probability of acquisition of the logistics facility after completion</u>
	<u>Legal compliance</u>	<ul style="list-style-type: none"> 1. <u>Laws and regulations concerning investment corporations</u> 2. <u>Laws and regulations concerning entities engaging in development</u>