

For Immediate Release

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Submission of Revised Shelf Registration Statement for Issuance of Green Bonds

GLP J-REIT hereby announces that it today submitted a revised shelf registration statement (the original shelf registration statement was submitted on June 6, 2018) for issuance of green bonds (GLP J-REIT 14th Unsecured Bonds (special pari passu condition among specified investment corporation bonds) (Green Bonds); hereinafter referred to as the "Green Bonds"; also known as "GLP Green Bond") to the Director-General of the Kanto Local Finance Bureau.

1. Content of the revised shelf registration statement

GLP J-REIT today submitted the revised shelf registration statement for issuance of the Green Bonds to the Director-General of the Kanto Local Finance Bureau. GLP J-REIT plans to appoint SMBC Nikko Securities Inc. (Green Bond Structuring Agent (Note)), Daiwa Securities Group Inc. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. as the lead managers for the issuance of the Green Bonds to discuss the viability of issuing the Green Bonds and the details of the issue terms such as interest rates, etc.. Moreover, based on the Green Finance Framework (to be described in 3 (1) below), GLP J-REIT plans to use all of the proceeds from the Green Bonds to make repayments (including refinancing) of loans taken out to acquire specified assets (both existing and new specified assets) that meet the criteria of Eligible Green Projects (to be described in 3 (2) below). Specifically, it plans to use all of the proceeds from the Green Bonds to fund the redemption of the 7th Unsecured Investment Corporate Bond that will mature in November 28, 2019 (i.e. to fund the refinancing of the loan taken out to acquire GLP-MFLP Ichikawa Shiohama, a specified asset meeting the Eligible Green Asset criteria).

In the period until the proceeds from the Green Bonds are actually used for the above purpose, GLP J-REIT will temporarily manage the funds in cash and cash equivalents.

(Note) Green Bond Structuring Agent denotes one who supports the issuance of green bonds through formulation of a Green Bond Framework and advises on acquiring second-party opinions.

2. Purpose and background of the issuance of the Green Bonds

GLP J-REIT together with GLP Japan Advisors Inc., its asset management company, bears the social responsibility to give utmost consideration to environmental protection and to contribute to ensuring the health and security of employees, customers and local community. As a proof of such comprehensive commitment to place social responsibility regarding sustainability of environment and society at the core of its business execution, GLP J-REIT formulated and announced various policies including the Environmental, Social and Governance (ESG) policy, and have taken various individual initiatives within GLP J-REIT as well as on the investment properties.

These initiatives by GLP J-REIT have been rated highly by third-party organizations and GLP J-REIT has been awarded a Green Star rating in the 2019 Global Real Estate Sustainability Benchmark Real Estate Assessment (hereinafter "GRESB") for five consecutive years and a "4 Star" rating in GRESB rating, a relative evaluation of the overall GRESB Score among the global participants for four consecutive years.

Further, GLP J-REIT has been working on acquisition of various environmental certifications such as Comprehensive Assessment System for Built Environment Efficiency (CASBEE) environmental performance assessment rating by the Institute for Building Environment and Energy Conservation (IBEC), DBJ Green Building Certification by Development Bank of Japan Inc., and Building Energy-efficiency Labeling System (BELS), an evaluation and labeling system of the energy conservation performance of buildings, whose standards were established by the Ministry of Land, Infrastructure, Transport and Tourism, for environmental performance of individual properties it owns. With respect to CASBEE ratings, GLP J-REIT obtained "S" rank for one additional property on June 28, 2019. As a result, GLP J-REIT has, in total, 19 properties ranked "S" and 5 properties ranked "A".

GLP J-REIT will continue striving to promote further ESG activities and submitted the revised shelf registration statement for the issuance of the Green Bonds with the aim of enhancing fund procurement methods by increasing investors who are proactively involved in ESG investment.

3. Scheme of the issuance of the Green Bonds (Green Finance Framework)

(1) Eligibility as Green Bonds

GLP J-REIT formulated the Green Finance Framework to implement green financing including green bonds in accordance with Green Bond Principles 2018 (Note 1), Green Bond Guidelines, 2017 (Note 2) and Green Loan Principles (Note 3).

In the Green Finance Framework, GLP J-REIT established the following frameworks to ensure eligibility of its investment corporation bonds or loans as green financing.

- a. Extract specified assets (as defined by Article 2-1, Act on Investment Trusts and Investment Corporations Act No. 198 of 1951 including subsequent revisions; hereinafter referred to as the "Investment Trust Act"; the same shall apply hereinafter) that satisfy the criteria for Eligible Green Projects (both existing and new specified assets) from the specified assets owned by GLP J-REIT.
- b. The upper limit of fund procurement with green financing is set as the amount of liabilities (hereinafter referred to as the "Debt of Eligible Green Projects") calculated by multiplying the total amount of acquisition price of Eligible Green Projects with the value of the ratio of interest bearing liabilities to total assets (as of the most recent fiscal period end for which the ratio can be calculated on the investment corporation bond payment date or the date of borrowing, or as of the end of February of each year).
- c. GLP J-REIT shall not issue investment corporate bonds or take out loans deeming that they are eligible as green bonds or green loans exceeding the amount of Debt of Eligible Green Projects.
- d. Ensure that individual green financing is in accordance with the Green Finance Framework in terms of Eligible Green Projects' evaluation and selection process, management of outstanding balance of green

finance, reporting to be described in (6) below that it is managed in accordance with the Green Finance Framework.

- (Note 1) Green Bond Principles 2018 is the guidelines for green bonds issuance formulated by the Green Bond Principles Executive Committee, a nongovernment organization whose secretariat is the International Capital Market Association (ICMA) and is hereinafter referred to as the “Green Bond Principles.”
- (Note 2) Green Bond Guidelines, 2017 is the guidelines drafted and announced in March 2017 by the Ministry of the Environment aimed at further promoting green bonds in Japan by presenting examples of actual measures and indicating interpretation in conformity with Japan’s characteristics while paying attention to conformity with the Green Bond Principles so that they can be referred to by those who are responsible for practical work at the market participants when considering concrete responses regarding green bonds.
- (Note 3) Green Loan Principles is a loan guideline formulated by Loan Market Association (LMA) and Asia Pacific Loan Market Association (APLMA) that limits the use of proceeds to projects with environmental objectives.

(2) Eligible Green Projects

Eligible Green Projects are assets or projects that satisfy either of the following requirements.

a. Green buildings

New, existing or refurbished buildings with at least one certification in the following categories.

i) DBJ Green Building Certification (Japan): five, four or three stars

ii) CASBEE (Japan): S, A or B+



GLP Tokyo II



GLP/MFLP
Ichikawa-Shiohama



GLP Sugito II



GLP Soja I&II



GLP Maishima II

and 19 other properties

iii) BELS (Japan): 5, 4 or 3



GLP Kobe-Nishi



GLP Atsugi II



GLP Yoshimi

and seven other properties

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

(Note) The properties listed in ii) and iii) above are the properties that meet the requirements as of August 31, 2019.

b. Power generation facilities utilizing renewable energy

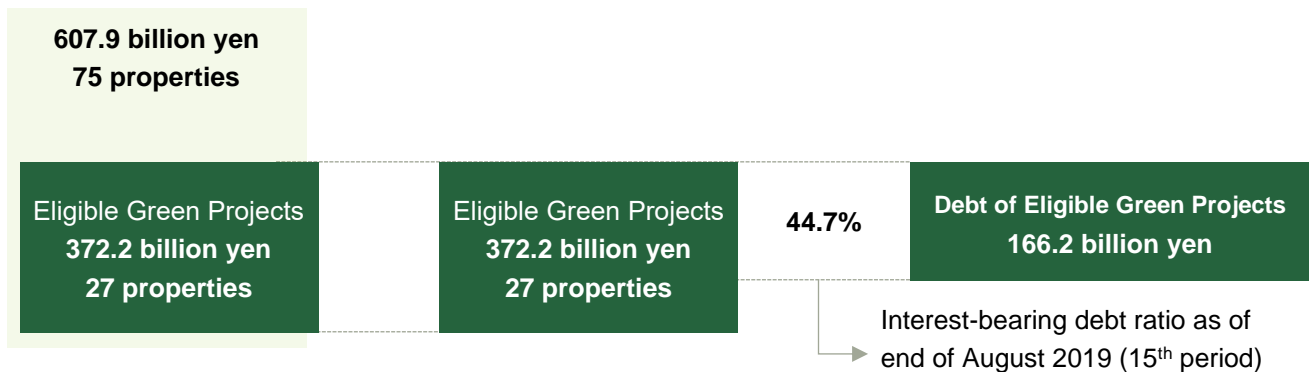
Power generation facilities utilizing renewable energy (stipulated by the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (including Cabinet Order 480 of 2000 and subsequent amendments); it includes but is not limited to installation of photovoltaic power generation panels).

(3) Upper limit of the Green Finance as of October 30, 2019

As of October 30, 2019, GLP J-REIT has a total of 27 Eligible Green Projects acquired for 372.2 billion yen. GLP J-REIT sets the upper limit for executable green financing as of October 30, 2019 as the liabilities amount of 166.2 billion yen, calculated by multiplying 372.2 billion yen, which is the acquisition price of the Eligible Green Projects as of October 30, 2019, with the interest-bearing liabilities ratio (44.7%) as of end of August 2019 (15th period).

GLP J-REIT acquisition price

Green balance sheet



(4) Project Evaluation / Selection Process

Eligible Green Projects are evaluated and selected by the Sustainability Task Force of GLP J-REIT's asset manager, GLP Japan Advisors which is composed of the President, Head of the Investments Department, Head of Corporate Planning Department and others.

(5) Management of Proceeds

GLP J-REIT is committed to allocating all the proceeds from the Green Financing towards funding the acquisition of the Eligible Green Projects or refinancing the relevant fund within one month after the financing. If all of the proceeds from the Green Finance are not immediately or temporarily allocated towards acquisition funds to purchase Eligible Green Projects, repayment of debts to acquire Eligible Green Projects, or redemption of Investment Corporation Bonds, GLP J-REIT will manage the unallocated funds as cash or cash equivalents until they are allocated. Furthermore, GLP J-REIT will ensure that the outstanding balance of the Green Financing will not surpass the Debts of Eligible Green Projects.

(6) Reporting

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 till 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.

- Total amount of bond proceeds that has been used
- Unused amount of bond proceeds
- Number of properties under Eligible Green Projects
- Level of various environmental certificates obtained
- Annual CO₂ reduction effect of the relevant renewable energy-based power generation facility

4. Evaluation by outside entities

GLP J-REIT has obtained a “Green (F)” (highest for JCR Green Finance Framework Evaluation (Note 1)) rating in evaluation for Green Finance Framework from Japan Credit Rating Agency, Ltd. (JCR), a third-party green finance framework evaluation institution.

(Note 1) JCR Green Finance Framework Evaluation denotes the third-party evaluation by JCR of green bond issuance or green loan policy (Green Finance Policy) of the issuer or borrower in accordance with the Green Bond Principles established by International Capital Market Association (ICMA), the Green Bond Guidelines, 2017 published by the Ministry of the Environment of Japan and Green Loan Principles of the Loan Market Association (LMA) and Asia Pacific Loan Market Association (APLMA). In this evaluation, JCR evaluates the greenness of the financing, as to whether the use of the proceeds indicated in the Green Finance Policy is for Green Projects, in addition to evaluating the management, operation and transparency of the issuer or borrower and the JCR Green Finance Framework Evaluation is made comprehensively taking these evaluations into account. JCR Green Finance Framework Evaluation results are indicated with a rating code ending with “(F)” to distinguish it from evaluation of individual bonds or loans.

The result of the JCR Green Finance Framework Evaluation of the Green Bond is posted on JCR’s website:
<https://www.jcr.co.jp/en/greenfinance/>

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