ESG Report 2025

CRE Logistics REIT

March 2025

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A Message from Top Management

CRE Logistics REIT, Inc. ("CRE REIT") is committed to its basic philosophy highlighting efforts "to leverage the comprehensive strength of the CRE Group, which boasts more than 60 years' experience in the logistics real estate business, to invest in quality logistics-related facilities that satisfy tenant needs. CRE REIT aims to create a stable cash flow and enhance investor's value through these investments."

With this basic philosophy in mind, we believe that enhancing unitholder value is only possible after preserving a sustainable environment and achieving a sustainable society. This will be achieved through efforts to invest in high-quality logistics facilities and promote "long-term, stable asset management," one of the characteristics of CRE REIT.

CRE REIT recently established its Sustainability Policies and the system for its promotion and has decided to publicly announce it with the goal of implementing initiatives addressing ESG (Environmental, Social and Governance) issues more tangibly than before, in cooperation with CRE REIT Advisers, Inc. (the "Asset Manager").

Through the collaboration of CRE REIT, the Asset Manager and their executives and employees, specific targets will be set for each issue, and various measures for achieving these targets will be implemented in the future.

Tsuyoshi Ito
Executive Director,
CRE Logistics REIT, Inc.

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Policies and Promotion Structure

Sustainability Policies

The Asset Manager believes that addressing sustainability and ESG issues will contribute to the strengthening of CRE REIT's competitive edge and the enhancement of unitholder value over the medium- to long- term. Upon this foundation, the Asset Manager established the Sustainability Policies described below and will implement it as a targeted objective.

1. Consideration of the Global Environment

To mitigate the environmental impact arising from real estate operations, such as energy and water consumption, greenhouse gas emissions, waste, pollution and influence on ecosystems, we work to promote the replacement of properties with high-efficiency facilities, the optimization of building operations, water conservation, recycling, and other initiatives. We also build systems to manage environmental impact, thereby contributing to the preservation of the global environment.

Addressing climate change issues

We recognize climate-related risks and the opportunities arising from the medium- to long-term changes in society and environment, including the socioeconomic implications of decarbonization and the devastating disasters resulting from climate change, and strive to appropriately manage these risks and opportunities.

We work to promote the reduction of the energy consumed by buildings, the utilization of renewable energy and other decarbonization measures. We also improve disaster preparedness through business continuity planning (BCP) and the installation of disaster preparedness equipment, thereby improving resilience in the face of societal and environmental change.

2. Initiatives to Improve Health, Safety and Amenities Through the Operations of Buildings and Facilities

By promoting initiatives that improve the health and safety of tenants and local communities and the amenities provided to them through the improvement of buildings and facilities and their operations, including the management of indoor environment quality and the development of green spaces and amenities, we endeavor to improve tenant satisfaction, build positive relationships with local communities and maintain and enhance real estate values.

3. Collaboration with External Stakeholders

As cooperation and collaboration with tenants, property management companies, other suppliers and external stakeholders including local communities are essential for the implementation of the Sustainability Policies, we work on each issue in collaboration with the above parties, building positive relationships through effective communication.

4. Initiatives for Executives and Employees

We continually provide executives and employees with professional education and training, opportunities for skills development to foster real estate investment and management professionals. We also work to improve their knowledge and understanding of sustainability and ESG to implement the Sustainability Policies.

Moreover, we work to secure and maintain talented human resources by building healthy, safe and comfortable work environments and providing support ensuring a healthy work-life balance, and develop an environment in which executives and employees are able to fully demonstrate their capabilities.

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Policies and Promotion Structure

5. Respecting Human Rights
The Asset Manager respects individuals' human rights and diverse values, and eliminates unfair discrimination in all business activities. Moreover, the Asset Manager observes the ILO (International Labor Organization) Declaration of Fundamental Principles and Rights at Work which includes the elimination of discrimination in employment and people's occupation, the abolition of child labor, the prohibition of forced or compulsory labor, the freedom of association and the right to collectively bargain, and other principles.

6. Consideration Within the Supply Chain
In selecting the goods and services purchased or procured by the Asset Manager, we promote sustainable procurement taking into account not only economic performance but also impact on the environment and society, and other factors, and ensure sustainability throughout the entire supply chain supporting our business.

7. Legal Compliance and Risk Management
We fairly conduct business activities by continuously working to strengthen the systems for corporate governance and ensuring compliance with laws, the fairness of transactions, the appropriate management of information, and the prevention of corruption and conflicts of interest. Additionally, we consider environmental and social risks regarding managed real estate from medium- to long-term perspectives, and incorporate this into real estate investment and management processes and work to manage and mitigate risks.

8. Disclosing ESG Information and Ensuring Transparency
To ensure relationships of trust with stakeholders, we disclose ESG information in a timely and appropriate manner and strive to obtain/participate in environmental certifications, international initiatives and other external evaluations.

Sustainability Promotion Structure

The Asset Manager has established the following frameworks to continuously and methodically promote initiatives based on the Sustainability Policies.

	Responsible persons and members	Roles, etc.
Chief Sustainability Officer	Representative Director and President	Overseeing establishment of frameworks for promoting sustainability and execution of various policies, targets and measures.
Sustainability Operating Officer	Head of the Corporate Planning Department	Implementing the establishment of frameworks and measures to promote sustainability.
Sustainability Promotion Committee	Chief Sustainability Officer Sustainability Operating Officer Full-time Directors Head of the Investment Management Department Head of the General Affairs Compliance Officer	Holding a meeting at least once every three months, in principle, and implementing the following. • Examining and devising various policies, targets and measures related to sustainability. • Continuously following up on issues regarding unachieved targets and findings by incorporating them into targets for the next fiscal period, in principle. • Reporting on policies, targets and measures to the Board of the Asset Manager and the Board of Directors of CRE REIT.

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External Evaluations and Certifications

GRESB

GRESB is an annual benchmarking assessment to measure ESG (Environmental, Social and Governance) integration of real estate companies and funds, as well as the name of organization which runs the assessment. It was founded in 2009 by a group of major European pension funds who played leading roles in launching Principles for Responsible Investment (PRI). The GRESB assessment is not a certification for individual real estate properties. It is characterized by its assessment of sustainability efforts of individual real estate companies, REITs and unlisted real estate funds. https://gresb.com/

GRESB Real Estate Assessment

In the 2024 GRESB Real Estate Assessment, CRE REIT received "5 Stars" in GRESB Rating, which is based on GRESB Overall Score and its quintile position relative to global participants. It also won a "Green Star" designation for 4 consecutive years by achieving high performance both in "Management Component" that evaluates policies and organizational structure for ESG promotion, and "Performance Component" that assesses environmental performance and tenant engagement of properties owned.

GRESB
★★★★★ 2024

GRESB Public Disclosure

CRE REIT also received the highest "A" for the GRESB Public Disclosure for 4 consecutive years, which assesses the width of ESG disclosure.

Green Building Certification / Evaluation

CRE REIT defines properties that have acquired or renewed, or are scheduled to acquire or renew, any third-party assessment body certification or other assessment described in (i) to (iii) below as Green Buildings.

(i) DBJ Green Building five or four stars
(ii) CASBEE(building, real estate, local government) S or A rank
*CASBEE by local governments is limited to those within three years of the construction completion date.
(iii) BELS(FY 2016 standard) five or four stars
BELS(FY 2024 standard) level 6 or 5

The Comprehensive Assessment System for Built Environment Efficiency (CASBEE) established by the Institute for Built Environment and Carbon Neutral for SDGs is method of assessing and rating the environmental efficiency of buildings. As a comprehensive system for the assessment of the quality of a building, it evaluates features such as interior comfort and scenic aesthetics as well as environment practices including the use of materials and equipment that conserve energy or reduce environmental load. The CASBEE assessment ranks properties in five grades: Superior (S), Very Good (A), Good (B+), Slightly Poor (B-) and Poor (C).
The purpose of the Building Energy-efficiency Labeling System (BELS) is to ensure that third-party institutions properly implement the evaluation and labeling of non-residential buildings in accordance with the Ministry of Land, Infrastructure, Transport and Tourism (MLIT)'s 2013 Assessment Guideline for Indication of Energy Saving Capabilities of Non-residential Buildings. The certification rating for energy saving performance conducted by third-party institutions is represented using five levels for FY 2016 standard and six levels for FY 2024 standard.

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External Evaluations and Certifications

Acquisition Results of Green Building Certification / Evaluation

As of March 13, 2025

No.	Property name	Acquisition price (million yen)	Total floor area (㎡)	DBJ Green Building	CASBEE (Note1)	BELS	Green Building
M-1	LogiSquare Kuki	9,759	40,907.13	—	Real Estate Rank S Saitama Pref. Rank A	★★★★★	●
M-2	LogiSquare Hanyu	6,830	33,999.61	—	Real Estate Rank S Saitama Pref. Rank B+	★★★★★	●
M-4	LogiSquare Urawa Misono	13,060	48,738.29	—	Real Estate Rank S Saitama Pref. Rank A	★★★★★	●
M-5	LogiSquare Niiza	6,960	25,355.82	—	Real Estate Rank S Saitama Pref. Rank A	★★★★★	●
M-6	LogiSquare Moriya	6,157	32,904.90	—	Real Estate Rank S	★★★★★	●
M-7	LogiSquare Kawagoe	1,490	7,542.56	—	—	★★★★	●
M-8	LogiSquare Kasukabe	4,900	21,315.54	—	Real Estate Rank S Saitama Pref. Rank A	★★★★★	●
M-9	LogiSquare Soka	8,109	28,817.59	—	Real Estate Rank A Saitama Pref. Rank A	—	●
M-10	LogiSquare Yashio	5,073	19,068.60	—	Real Estate Rank S Saitama Pref. Rank A	—	●
M-11	LogiSquare Mizuho A	2,794	13,755.16	—	Real Estate Rank A	—	●
M-12	LogiSquare Mizuho B	3,584	16,016.37	—	Real Estate Rank S	—	●
M-13	LogiSquare Ageo	4,908	19,142.84	—	Real Estate Rank S Saitama Pref. Rank A	★★★★★	●
M-14	LogiSquare Miyoshi	11,700	37,931.49	—	Real Estate Rank S Saitama Pref. Rank A	★★★★★	●
M-15	LogiSquare Sayama Hidaka (Note4)	17,678	73,728.44	—	Real Estate Rank S Saitama Pref. Rank A	★★★★	●
M-16	LogiSquare Kawagoe Ⅱ	3,244	14,281.38	—	Real Estate Rank S	★★★★★	●
M-17	LogiSquare Shiroi	7,415	28,503.11	—	Building (New Construction) Rank A	★★★★	●
K-1	LogiSquare Kobe Nishi	3,479	16,006.20	—	Real Estate Rank S Kobe Rank A	★★★★	●
K-2	LogiSquare Osaka Katano	22,370	76,393.17	—	Real Estate Rank S Osaka Pref. Rank A	★★★★★	●
K-3	LogiSquare Hirakata	15,091	42,875.27	—	Building (New Construction) Rank A	★★★★★	●
O-1	LogiSquare Tosu	2,823	16,739.40	—	Real Estate Rank S	★★★★★	●
Total / Average		157,425	614,022.87	—	96.4% (Note2)	87.4% (Note2)	100.0% (Note2) 100.0% (Note3)

(Note 1) "Real Estate Rank S" and "Real Estate Rank A" are CASBEE Real Estate Certification. "Building (New Construction) Rank A" is CASBEE New Construction Certification. "Saitama Pref. Rank A","Saitama Pref. Rank B+","Kobe Rank A" and "Osaka Pref. Rank A" are assessments by the builder.
(Note 2) Average is based on total floor area.
(Note 3) Average is based on properties.
(Note 4) The figure of LogiSquare Sayama Hidaka is the sum of the 80% quasi co-ownership interest acquired in January 2021 and the 20% quasi co-ownership interest acquired in July 2022.
(Note 5) Properties scheduled for sale are excluded.

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External Evaluations and Certifications

Certification and Registration for Eco Action 21

CRE REIT was certified and registered for the “Eco Action 21” in March 2024.
The Eco Action 21 is a third-party certification and registration system for business operators that conduct environmental management based on the Eco Action 21 Guidelines formulated by the Ministry of the Environment as part of their environmental management systems.

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Climate Change

Awareness of Climate Change

The Paris Agreement adopted in 2015 set a common goal of limiting the global average temperature increase to less than 2°C compared with pre-industrial levels (non-binding target 1.5°C) and reducing greenhouse gas emissions to virtually zero by the second half of the 21st century. This is expected to result in a significant transition toward a decarbonization of society and the economy, including the strengthening of international frameworks to reduce greenhouse gas emissions and policies such as emission controls in Japan and overseas.
In light of this growing interest in sustainability in society as a whole, CRE REIT Advisers, Inc. ("the Asset Manager"), the asset manager to which CRE Logistics REIT, Inc. ("CRE REIT") entrusts the management of its assets, is focusing on efforts for ESG issues, believing that addressing sustainability and ESG issues, including the response to climate change, will contribute to the strengthening of CRE REIT's competitive edge and the enhancement of its unitholder value over the medium to long term.
Above all, the Asset Manager recognizes that enhancing its resilience to socioeconomic changes brought about by climate change and physical changes in the global environment is essential for CRE REIT to secure sustainable and stable earnings over the long term.

Declaration of Support for the TCFD Recommendations and Participation in the TCFD Consortium

To promote the climate-related disclosure, the Asset Manager declared its support for the Task Force on Climate-related Financial Disclosures (TCFD) in February 2022 and participates in the TCFD Consortium, in which many companies in Japan supporting the TCFD participate.
In the TCFD Consortium, companies and financial institutions that support the TCFD recommendations are working together to pursue their efforts and discuss initiatives to promote effective corporate information disclosure and link disclosed information to appropriate investment decisions by financial institutions and others. Through its participation in the TCFD Consortium, the Asset Manager will engage in dialogue with companies that support the TCFD recommendations, gather information on good practices and promote climate-related financial disclosure in line with TCFD recommendations.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TCFD Consortium

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Information Disclosure Based on TCFD Recommendations

Governance

The Asset Manager has established the following framework to continuously and methodically promote initiatives for sustainability and ESG issues including the response to climate change. Please refer to the "Policies and Promotion Structure" page for the framework at the Asset Manager.

Strategy

1. Conducting Scenario Analyses

To identify and assess the impacts (risks and opportunities) of climate change-related risks on CRE REIT's portfolio and take them into account in its business strategy, the Asset Manager conducted a scenario analysis under two scenarios of 1.5°C and 4°C.

＜Conditions for scenario analyses＞

Scope	CRE REIT's portfolio					
Time span	Short -term	As of the end of 2025	Medium -term	As of the end of 2030	Long -term	As of the end of 2050

Categories of climate change-related risks		Major sources of information referenced	
		1.5°C scenario	4°C scenario
Transition risks	Risks arising from new regulations, taxation, technologies, etc. associated with the decarbonization of society and economy	IEA (International Energy Agency) World Energy Outlook 2020 NZE2050	IEA World Energy Outlook 2020 STEPS
Physical risks	Risk of direct business damage caused by climate change, such as intensified natural disasters and long-term shifts in climate patterns	IPCC (Intergovernmental Panel on Climate Change) the Fifth Assessment Report RCP2.6	IPCC the Fifth Assessment Report RCP8.5

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Climate Change

＜Overview of each scenario＞

1.5°C scenario

- To achieve a decarbonized society, strict laws, regulations and taxation systems are implemented.
- Transition risk is high, and physical risk is low.

Climate and weather
CO2 emissions are on a downward trend.
Temperature rise is controlled.

Government
Strengthening of laws and regulations on carbon emissions and energy consumption.
Strengthening of energy saving standards.

Investors and financial institutions
Spreading of ESG investment.
Growing demand for ESG disclosure.

Tenants
Preference for properties with high environmental performance.

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4°C scenario

- Strict laws, regulations and taxation systems are not implemented, and no progress is made toward achieving a decarbonized society.
- Transition risk is low, and physical risk is high.

Climate and weather
Increase in natural disasters due to higher temperatures.

Government
Laws and regulations on carbon emissions and energy consumption are not yet developed.

Investors and financial institutions
ESG investment will not be a primary investment method.

Tenants
Tenants who prefer properties with high environmental performance are limited.

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2. Identification and Assessment of Risks and Opportunities

Based on the scenario analyses, the Asset Manager has identified risks and opportunities and assessed their impact on CRE REIT's portfolio as shown in the table below.

		Events	Category	Financial impact	Degree of financial impact			
					1.5°C scenario		4°C scenario	
					Short term	Medium to long term	Short term	Medium to long term
Transition risks and opportunities	Policies and Legal	Introduction of a carbon tax Progress of emissions trading scheme	Risks	• Increase in tax burden costs • Increase in costs for promoting the conversion of properties to renewable energy • Increase in the purchase of emission credits and emission control costs	Medium	Large	Small	Small
	Technology	Advancement of renewable energy and energy-saving technologies	Risks	• Increase in costs for introducing new technologies	Small	Small	Small	Small
			Opportunities	• Reduction of expenses for externally procured utilities through the introduction of new technologies • Increase in revenue due to sales of renewable energy	Small	Medium	Small	Small
	Market	Changes in tenant behavior	Risks	• Decline in rent levels due to lower demand for properties with poor environmental performance	Medium	Large	Medium	Medium
			Opportunities	• Improvement in rent levels due to increased demand for properties with high environmental performance	Medium	Medium	Small	Medium
		Changes in investor and lender behaviors	Risks	• Increase in financing costs due to a declining reputation for ESG initiatives	Small	Large	Small	Small
			Opportunities	• Decrease in financing costs due to an improving reputation for ESG initiatives	Small	Medium	Small	Small
	Reputation	Change in reputation from the local community	Risks	• Compensation for damages caused by damage to the local brand • Compensation for damages caused by the suspension of operations associated with a deterioration in the property image	Large	Large	Small	Small
			Opportunities	• Rising rent levels due to an increased advantage in securing employment as a result of an improved property image	Medium	Large	Medium	Medium
Physical risks	Acute	Increase in property damage due to natural disasters such as flooding and typhoon	Risks	• Increase in repair expenses and insurance premiums, etc. • Loss of sales opportunities due to property damage	Medium	Medium	Medium	Large
		Damage to third parties due to property damage caused by natural disasters such as flooding and typhoon	Risks	• Occurrence of claims for damages	Small	Medium	Large	Large
	Chronic	Higher average temperatures and an increase in extreme climate such as extremely hot and cold days	Risks	• Increase in utilities and repair expenses, etc. due to the increased use of air conditioning	Small	Small	Small	Medium

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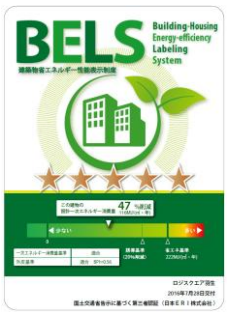
Climate Change

3. Measures to Address Climate-Related Risks

Transition risks and opportunities

- Selection and acquisition of properties that meet energy saving standards
- Expansion of photovoltaic power generation
- Reduction in external electricity consumption through the installation of storage batteries
- Purchase of emission credits and non-fossil certificates, etc.
- Promotion of including of Green Lease Clauses
- Understanding of needs and expectations regarding ESG
- Acquisition of green building certifications
- Promotion of green finance
- Building of relationships with local communities
- Appealing of ESG initiatives to tenant employees



Physical risks

- Selection and acquisition of properties with low disaster risk
- Periodic review of disaster response manuals and thorough familiarization through drills
- Purchase and periodic review of appropriate insurance coverage
- Reduction of utilities expenses by installing high-efficiency air conditioning

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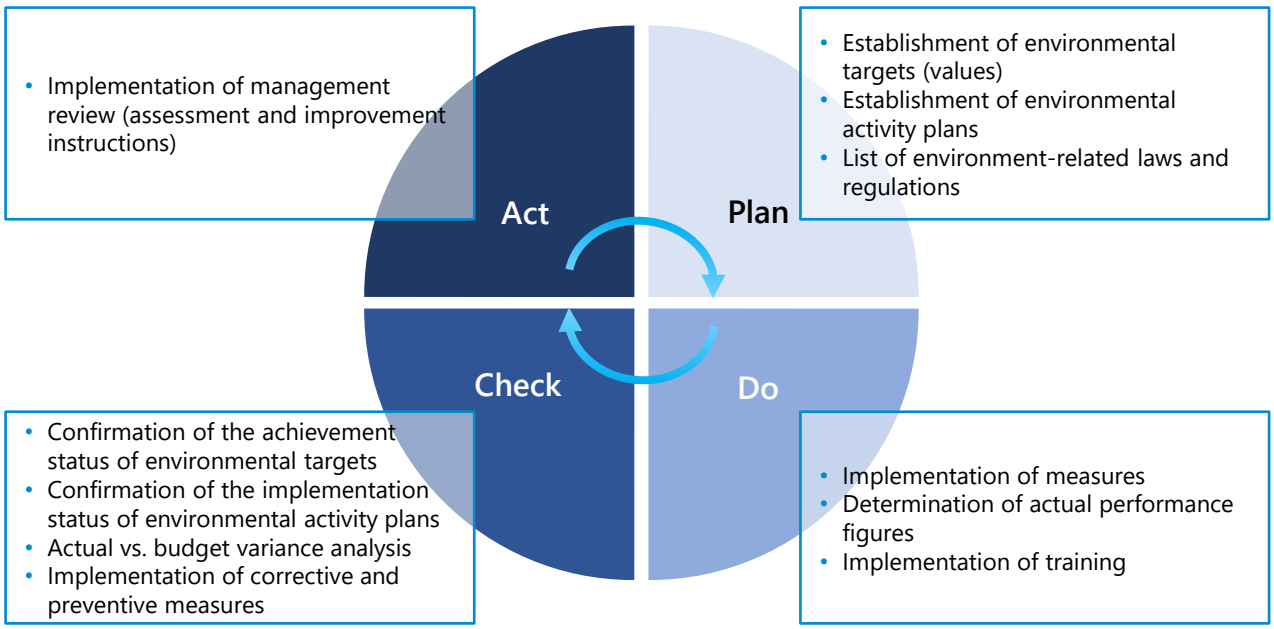
Climate Change

Risk Management

The Asset Manager has established framework to continuously and methodically promote initiatives for sustainability and ESG issues including the response to climate change. At the Sustainability Promotion Committee, which is held at least once every three months, in principle, the Asset Manager evaluates and manages overall sustainability-related risks, including climate-related risks, and manages progress against various targets and response measures.
The Asset Manager has also established individual bylaws concerning important environmental issues to provide for practical measures to mitigate environmental burden.
In addition, the Bylaws for EMS Operations provide for system and processes to implement the "Sustainability Policies" and other rules and detailed regulations on sustainability promotion.
Through the Sustainability Promotion Committee, which includes the Representative Director and President as a member, the Asset Manager is working to deepen each measure, etc.

EMS Diagram Based on PDCA Cycle



Metrics and Targets

To manage and monitor risks and opportunities, the Asset Manager has set the following new targets, etc. and monitors performance. Please refer to the "Environment" page for the performance date.

Greenhouse gas emissions	The Asset Manager will reduce annual emissions intensity related to energy consumption of CRE REIT's portfolio (market basis) (t-CO2e/㎡) by 46% from the fiscal year 2019 level by fiscal year 2030.
Coverage rate for environment-related data	The target of CRE REIT's portfolio coverage rate for energy consumption, renewable energy production, annual greenhouse gas emissions and water consumption is 100% continuously until the fiscal year 2027.
Percentage of green building certifications acquired	The Asset Manager will increase green building eligibility criteria properties to at least 95% of CRE REIT's portfolio (based on total floor area) by fiscal year 2027.

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Environment

Environmental Targets

Greenhouse gas emissions	The Asset Manager will reduce annual emissions intensity related to energy consumption of CRE REIT's portfolio (market basis) (t-CO2e/㎡) by 46% from the fiscal year 2019 level by fiscal year 2030.
Coverage rate for environment-related data	The target of CRE REIT's portfolio coverage rate for energy consumption, renewable energy production, annual greenhouse gas emissions and water consumption is 100% continuously until the fiscal year 2027.
Percentage of green building certifications acquired	The Asset Manager will increase green building eligibility criteria properties to at least 95% of CRE REIT's portfolio (based on total floor area) by fiscal year 2027.

Environmental Performance Data

Greenhouse Gas Emission

	FY 2019 (base year)	FY 2020	FY 2021	FY 2022	FY 2023
Scope1 (t-CO2e)	—	—	—	—	—
Scope2 (t-CO2e)	64.4	104.2	274.5	271.7	148.2
Scope3 (Category 13) (t-CO2e)	3,074.1	6,227.3	6,170.6	7,124.8	6,345.1
Total Greenhouse gas emission (t-CO2e)	3,138.4	6,331.5	6,445.1	7,396.5	6,493.3
Greenhouse gas emission intensity (t-CO2e/㎡)	0.0099	0.0127	0.0112	0.0129	0.0106
Compared to FY2019	—	28.4%	13.3%	30.0%	6.7%
Portfolio coverage rate	100.0%	100.0%	100.0%	100.0%	98.2%

Energy Consumption

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Scope of management by owners					
Energy consumption (kWh)	130,270	248,065	732,535	939,790	878,030
Energy consumption intensity (kWh/㎡)	152.83	76.51	83.78	107.48	100.42
Portfolio coverage rate	100.0%	100.0%	100.0%	100.0%	98.2%
Scope of management by tenants					
Energy consumption (kWh)	6,426,970	12,462,584	17,193,088	20,045,325	20,807,137
Energy consumption intensity (kWh/㎡)	20.35	25.22	30.42	35.47	34.38
Portfolio coverage rate	100.0%	100.0%	100.0%	100.0%	98.2%
Total					
Energy consumption (kWh)	6,557,240	12,710,649	17,925,623	20,985,115	21,685,167
Energy consumption intensity (kWh/㎡)	20.71	25.55	31.23	36.56	35.32
Portfolio coverage rate	100.0%	100.0%	100.0%	100.0%	98.2%

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Environment

Renewable Energy Production

	FY 2020	FY 2021	FY 2022	FY 2023
Electricity sales (kWh)	9,015,763	9,852,889	11,421,144	12,024,573
In-facility consumption (kWh)	252,708	1,864,548	2,908,446	3,155,457
Total	9,268,470	11,717,437	14,329,590	15,180,030
Ratio to energy consumption	73%	65%	68%	70%
Portfolio coverage rate	100.0%	100.0%	100.0%	98.2%

Water Consumption

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Water consumption (㎥)	7,583	11,883	17,886	20,120	20,508
Water consumption intensity (㎥/㎡)	0.026	0.024	0.031	0.035	0.033
Portfolio coverage rate	90.9%	100.0%	100.0%	100.0%	98.2%

Percentage of Green Building Certifications Acquired

Please refer to the "External Evaluation and Certifications" page.

Waste Amount

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Waste amount (t)	729	618	974	1,211	1,550
Portfolio coverage rate	52.5%	39.0%	66.0%	60.5%	77.3%

(Note1) Fiscal year is the period from April 1 until March 31. For example, fiscal year 2019 is April 1, 2019 to March 31, 2020.
(Note2) The environmental performance data for FY2023 above (greenhouse gas emission, energy consumption, water consumption and waste amount) are subject to a limited level of assurance by a third-party institution, the Japan Quality Assurance Organization. For more details, please refer to the Independent Verification Report on the next page.

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No.1811004927

Independent Verification Report

To: CRE Logistics REIT, Inc.

1. Objective and Scope

Japan Quality Assurance Organization (hereafter "JQA") was engaged by CRE Logistics REIT, Inc. (hereafter "the Company") to provide an independent verification on the statement of information regarding FY2023* GHG emissions, energy consumption, water consumption and waste emissions (hereafter "the Statement"). The content of our verification was to express our conclusion, based on our verification procedures, on whether the Statement was correctly measured and calculated, in accordance with the "Environmental Data Calculation Manual (established on March 10, 2023)" (hereafter "the Rule") developed by the Company. The purpose of the verification is to evaluate the Statement objectively and to enhance the credibility of information regarding GHG emissions and other environmental data in the Statement.

*The fiscal year 2023 ended on March 31, 2024.

2. Procedures Performed

JQA conducted verification in accordance with "ISO 14064-3" for GHG emissions and energy consumption, as well as with "ISAE3000" for water consumption and waste emissions. The scope of this verification assignment covers Scope 1, 2 and 3 (Category 13 only) GHG emissions (energy-derived CO_2), energy consumption, water consumption and waste emissions. The verification was conducted to a limited level of assurance and quantitative materiality was set at 5 percent of each total environmental data in the Statement. The organizational boundaries of this verification were those buildings in Japan owned by the Company throughout each fiscal year, in brief 21 sites for FY2023.

Our verification procedures included:

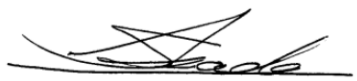
- Confirming the integrated functions and the Rule prior to the on-site assessment.
- Selecting three sites on the basis of sampling, for on-site assessment. The location of sampling sites for on-site assessment was selected by the Company.
- Holding on-site assessment to check the Statement's scope and boundaries; monitoring points of energy consumption, water consumption and waste emissions; and monitoring and calculation system and its controls.
- Vouching: Cross-checking the data of GHG emissions, water consumption and waste emissions against evidence for all sampling sites.

3. Conclusion

Based on the procedures described above, nothing has come to our attention that caused us to believe that environmental data in the Statement is not materially correct, or has not been prepared in accordance with the Rule.

4. Consideration

The Company was responsible for preparing the Statement, and JQA's responsibility was to conduct verification of GHG emissions and other environmental data in the Statement only. There is no conflict of interest between the Company and JQA.



Sumio Asada, Board Director
For and on behalf of Japan Quality Assurance Organization
1-25, Kandasudacho, Chiyoda-ku, Tokyo, Japan
December 19, 2024

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Environment

Initiatives Through Our Portfolio

Solar Panels
CRE REIT leases roof top space and the lessees contribute to the creation of renewable energy through photovoltaic power generation

In-House Consumption of Solar Power
Ensure a part of the electricity consumed in facilities from electricity generated by solar power.

Sandwich Panels
With outstanding design and a high heat insulating effect for their exterior walls, sandwich panels reduce the thermal load when refrigerating and heating equipment is installed.

LED Lights
The use of LED lights contributes not only to energy savings and the reduction of CO2 , but also the reduction of electric bills, which are to be paid by tenants, along with the replacement cost of lighting and an improvement in the working environment.

Human Detecting Sensors
Promote energy saving by installing human detecting sensors in facilities.

Water-Saving Sanitation Appliances
Promote the reduction of water usage by installing sanitation appliances with high performance in the reduction of water usage.

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Environment

Roof Watering Equipment

Contribute to the reduction of temperatures inside warehouses by installing roof watering equipment using well water.

Wall Greening

Wall greening has the effect of lowering the surface temperature of buildings and contributes to the reduction of CO2 in the atmosphere.

Soil Contamination Countermeasures

Enbio Holdings, Inc., a CRE group company, revitalizes old factory sites, etc. as land for the development of logistics facilities by actively utilizing in-situ cleaning methods that decompose underground contaminants without excavating contaminated soil.

Regional Revitalization Through Redevelopment

CRE generates employment and contributes to the regional revitalization by acquiring idle land such as former factory sites and constructing logistics facilities.

Flexible / Mixed Use

The facility is equipped not only with a warehouse but also an office space. In addition, a portion of the warehouse is also used as a workshop and a photography studio.

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Environment

Environmental Considerations for Green Field Developments

When developing logistics facilities in undeveloped area (green field) such as urbanization control area, CRE obtains development permission and permission for conversion of agricultural land from local governments, and takes measures such as obtaining green building certification to reduce environmental impact.

Collaboration with Tenant

Green Lease Contract

Lease agreements with tenants include provisions that CRE REIT and tenants collaborate to implement measures for energy conservation, environmental preservation, etc. By standardizing green lease provisions, CRE REIT is working to mitigate environmental burden through collaboration with tenants.

	June 30, 2024	December 31, 2024
Green lease contract rate (based on leased area)	40.0%	40.8%

Collaboration with Suppliers

The Asset Manager has established guidelines on standards for selecting and evaluating suppliers to promote ESG initiatives with property management companies and other individual suppliers. By conducting questionnaires that include questions regarding the status of sustainability initiatives at the start of transactions and once a year and evaluating results, the Asset Manager enhances supplier engagement.

Collaboration with Property Management Companies

The Asset Manager holds regular monthly meetings with property management companies to regularly share information and discuss initiatives related to energy saving, climate change, etc. In addition, the Asset Manager conducts annual monitoring to ensure cooperation from property management companies in achieving the sustainability policies and targets.

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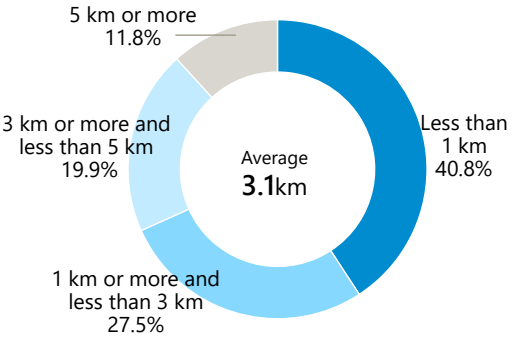
Society

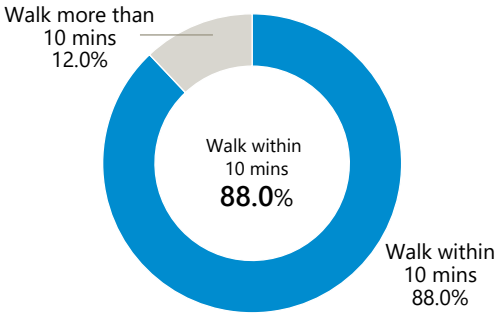
Initiatives for Tenants

Good Location

- Easy access from public transportation, giving consideration to employee commuting convenience.



- Located in a suitable location for logistics near the interchange.



Support for BCP Measures

- Hold logistics facilities in inland areas with low risk of liquefaction.
- Install power receiving and transforming equipment at elevated locations as a flood control measure.
- Introduce earthquake early warning systems.
- Install disconnectors in automatic fire alarms to prevent the spread of fires.
- Install disaster prevention support system.
- Install AEDs.

- Install emergency power supply systems.

Specifications to Improve Efficiency

- Incoming and outgoing guidelines are separated to prevent congestion and accidents.

- Interior walls between offices and the warehouse space have windows in them to facilitate communication.

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Society

Specifications to Improve Comfort and Working Environment

- Install restrooms for outside drivers.
- Renovate smoking rooms to respond to the April 2020 revised Health Promotion Act.
- The women's restroom has lockers and powder corner.

- Adopt warm-color lighting in entrances and truck berths, etc.

- Established cafeteria, rental meeting rooms and retail space.

- Internal signage is designed to visually communicate warehouse functions.

Tenant Satisfaction Survey

Conducts a tenant satisfaction survey every year to improve amenities and convenience to the tenants and employees of its facilities. Share their requests and opinions with property management companies and others, and work to resolve issues.

Contribution to Regional and Social Development

- Install fire cisterns able to provide tap water that can be used to fight fires.
- Cooperate with traffic restrictions for the Saitama International Marathon.
- There is a helipad on the roof for firefighters to use in the event of disaster.

- CRE Activities

Hold a CRE forum for the purpose of sharing logistics issues faced by companies.
The remains of 74 pit houses from the Middle Jomon Era (about 5,000 years ago) were excavated on the site in the wake of the development of LogiSquare Sayama Hidaka, and we are cooperating with the local government in their excavation work, record retention and observation-tours.

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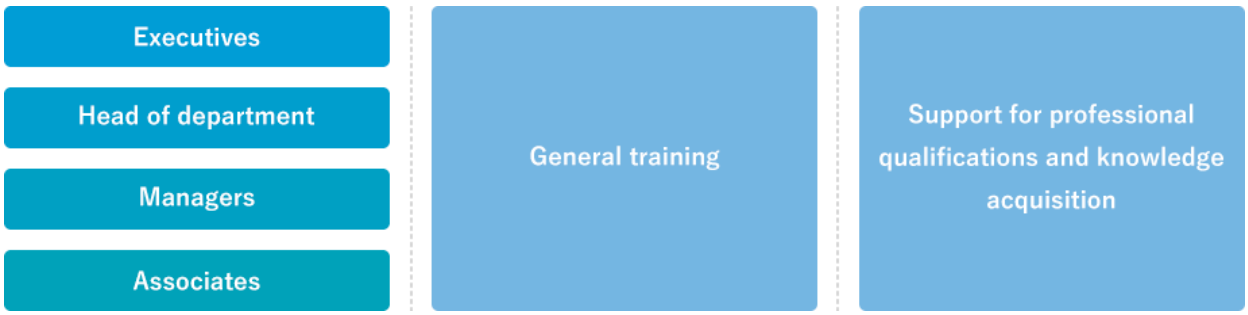
Initiatives for Executives and Employees

Human Resource Development Policy

The Asset Manager continually provides executives and employees with professional education and training, opportunities for skills development to foster real estate investment and management professionals.
Moreover, The Asset Manager works to secure and maintain talented human resources by building healthy, safe and comfortable work environments and providing support ensuring a healthy work-life balance, and develop an environment in which executives and employees are able to fully demonstrate their capabilities.

Internal Training & Education System

The Asset Manager has an internal training and education system for all full-time executives and employees (including contract employees, etc.).



Training Outline

General training

- Compliance training (four times a year) —100% of full-time executives and employees have taken the course
- Real estate market training (around four times a year)
- ESG training (at least once a year)

Support for professional qualifications and knowledge acquisition

- The Asset Manager encourages to acquire qualifications by paying for expenses and bonuses for acquisition of qualifications.

Qualification holders (including those that have passed examinations)

Qualification name	Number of persons	Rate (Note)
Real estate broker	11	73.3%
ARES (Association for Real Estate Securitization) Certified Master	8	53.3%
CMA (Certified Member Analyst of the Securities Analysts Association of Japan) holder	3	20.0%
Real estate consulting master	2	13.3%

(Note) Calculated with the 15 people involved in the operation of CRE REIT (as of the end of December 2024) as the denominator.

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Performance Appraisals and Feedback Processes

The Asset Manager holds quarterly 1 on 1 meetings with the head of department and the President for all employees (including contract employees, etc.). The meetings are opportunities for discussing a variety of topics, including goal-setting, work progress, career development and requests to the company, and help employees to improve their motivation and career development.
Goals are set at the beginning of the term, progress toward the goals and future plans(revision of plans if necessary) are checked during the term, evaluation results through the term are fed back at the end of the term, and meetings are held quarterly. We have established a transparent target-setting and evaluation feedback system with good communication between supervisors and subordinates.

	FY 2023/7		FY 2024/7	
	Times	Rate	Times	Rate
1 on 1 meeting with the President	4	100.0% (all employees)	4	100.0% (all employees) (note)
1 on 1 meeting with the head of department	4	100.0% (all employees)	4	100.0% (all employees) (note)

(Note) Calculated excluding those who plan to retire.

Engagement Surveys to Monitor Employee Satisfaction

The Asset Manager conducts questionnaires on employee engagement twice a year and confirms that respondents are proactively engaging in their work and are motivated to contribute to the organizations to which they belong. If any issues are identified, the employees themselves devise and implement improvement measures.

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Non-Salary Benefits and Work/Life Balance

The Asset Manager has established the following various systems as part of its efforts to build healthy, safe and comfortable work environments and provide support ensuring a healthy work-life balance. In principle, all employees (including contract employees, etc.) are covered, with only exceptions noted.

Improvement of the work environment

- Expand the refresh space and the work space with the relocation of offices.
- Introduce staggered commuting and working from home as an opportunity to combat COVID-19.

Support employees' asset formation

- Selective defined contribution pension
- Restricted stock compensation of CRE stock
- Cumulative investment unit investment system (ESPP)

Executives and employees of the sponsor and the Asset Manager hold investment units
CRE REIT believes that more clearly showing investors their attitude towards fulfilling their responsibilities to achieve the sound growth of CRE REIT by not only CRE, the sponsor, but also the managements with the above responsibilities making their profit situation equal to that of the investors will be necessary to make the future management of CRE REIT or support for CRE REIT more meaningful and effective. Also, many executives and employees of the Asset Manager hold investment units of CRE REIT based on a cumulative investment system and internal regulations.

Company	Title	Name	Units held (Note)
CRE	President	Tadahide Kameyama	822 units
The Asset Manager	President	Tsuyoshi Ito	1,293 units
	Vice President	Takeshi Oka	91 units
	Director, Executive Officer	Hirohisa Toda	13 units
	11 out of 16 employees		132 units

(Note) As of December 31, 2024. Also, the number of each holding unit is rounded down to the nearest unit.

Support for professional qualifications and knowledge acquisition

- Encourage to acquire qualifications by paying for expenses and bonuses for acquisition of qualifications.

Promotion of paid leave and introduction of consecutive summer vacation

Childcare leave, childcare leave at birth, nursing care leave, shortened working hour system

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System for Receiving Requests and Grievances from Employees

The Asset Manager prohibits discrimination and harassment based on gender, age, place of birth, nationality, race, ethnicity, creed, religion, disability, or other factors, in its Compliance Manual and Regulations on the Prohibition of Harassment. A consultation desk has been established in the General Affairs Department to handle consultations and complaints regarding harassment, and in addition, the Whistle-blower desk has been established in the compliance department and outside the Asset Manager. Whistle-blowers are protected by prohibitions against prejudicial treatment, etc. in accordance with the Whistle-blower Protection Act and internal regulations.
If an investigation or an evaluation reveals a violation of laws, regulations, internal rules, or other problematic conduct, the Asset Manager will promptly take corrective and recurrence-prevention measures.

Statistics

	2022/7	2023/7	2024/7
Full-time executive	2	2	2
Male	2	2	2
Female	0	0	0
Female ratio to total	0.0%	0.0%	0.0%
Number of employees	15	16	13
Male	8	8	5
Female	7	8	8
Female ratio to total	46.7%	50.0%	61.5%
Of which, head of department (including deputy head)	4	4	4
Male	3	3	2
Female	1	1	2
Female ratio to total	25.0%	25.0%	50.0%
Of which, manager	5	6	3
Male	2	2	1
Female	3	4	2
Female ratio to total	60.0%	66.7%	66.7%
Paid leave usage rate	47.0%	50.3%	63.7%
Childcare leave at birth usage rate	None	None	None
Childcare leave usage rate	None	None	100.0%
Male	None	None	100.0%
Female	None	None	None
Rate of returning to work after childcare leave at birth and childcare leave	None	None	50.0%
Nursing care leave usage rate	None	None	None
Regular medical checkup receipt rate	100.0%	100.0%	100.0%
Turnover rate	0.0%	0.0%	26.2%
Average monthly overtime hours per person（Note）	18.4 hours	19.1 hours	23.1 hours

(Note) Calculated excluding super visors

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Governance

Organization of CRE REIT

CRE REIT has the general meeting of unitholders, executive director, supervisory directors, the board of directors, and accounting auditor as its organs. The executive director executes the business of the CRE REIT and represents CRE REIT. The supervisory directors supervise the executive director in the execution of their duties. The board of directors, which consists of the executive director and the supervisory directors, makes important decisions concerning the execution of certain operations of CRE REIT, such as approving the execution of certain important duties by the executive director and approving financial statements and other documents. Furthermore, CRE REIT has an accounting auditor who conducts accounting audits. All of these executive director, supervisory directors, and accounting auditor are elected at the general meeting of unitholders.

Board of Directors

Reason for Election and Attendance Rate of Directors

Position	Name	Gender	Initial appointment date	Reason for election	Attendance rate of board (Note)
Executive Director	Tsuyoshi Ito	Male	May 2016	Mr. Tsuyoshi Ito is expected to execute his duties from a broad perspective based on his extensive knowledge and experience in real estate management.	100.0%
Supervisory Director	Kensuke Isobe	Male	May 2016	Mr. Kensuke Isobe has no vested interest in CRE REIT and the Asset Manager, and is expected to supervise the management from a broad perspective based on his knowledge and experience as an attorney at law.	100.0%
Supervisory Director	Kenichi Nakamura	Male	May 2016	Mr. Kenichi Nakamura has no vested interest in CRE REIT and the Asset Manager, and is expected to supervise the management from a broad perspective based on his knowledge and experience as an expert of accounting and tax.	100.0%

(Note) Attendance rate is based on 12 board meetings held from January 2024 to December 2024.

Personal History of Directors

Please refer to "Overview of CRE Logistics REIT – Corporate Profile"

Skills Matrix of Directors

Position	Name	Real estate / Asset management	Legal / Compliance	Accounting / Tax	Finance
Executive Director	Tsuyoshi Ito	○			○
Supervisory Director	Kensuke Isobe		○		
Supervisory Director	Kenichi Nakamura			○	

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Director's Remuneration

The criteria and timing of payment of the director's remuneration of CRE REIT are as follows.

Position	The criteria and timing of payment
Executive Director	CRE REIT shall pay monthly remuneration to executive directors at an amount decided by the board of directors, up to an amount equivalent to 250,000 yen per month for each executive director, no later than the last day of the relevant month.
Supervisory Director	CRE REIT shall pay monthly remuneration to supervisory directors at an amount decided by the board of directors, up to an amount equivalent to 250,000 yen per month for each executive director, no later than the last day of the relevant month.

The actual amount of remuneration is as follows.

Position	Name	Total amount of remuneration (Thousand yen)	
		FP 2024/ 6	FP 2024/ 12
Executive Director	Tsuyoshi Ito	1,500	1,500
Supervisory Director	Kensuke Isobe	1,500	1,500
Supervisory Director	Kenichi Nakamura	1,500	1,500

Accounting Auditor

	Company name	Continuing auditor tenure
Accounting Auditor	PricewaterhouseCoopers Japan LLC	From May 2016 to the present

Asset Management Fee

CRE REIT and the Asset Manager amended Articles of Incorporation at the general meeting of unitholders held on September 28, 2022 and revised fee structure from the fiscal period ending June 2023 in order to increase the linkage with unitholder interests. By decreasing the rate of management fee 1 based on total asset and unifying management fee 2 based on income before income taxes and management fee 3 based on earnings per unit, the linkage with earnings per unit has increased.

Asset Management Fee Structure

Management Fee 1	Total assets × 0.3%
Management Fee 2	Income before income taxes × Earnings per unit × 0.0019%
Acquisition Fee	Acquisition cost × 1.0% (0.5% in case of transactions with interested party)

The Actual Amount of Fee

	Total amount of fee (Thousand yen)	
	FP 2024/ 6	FP 2024/ 12
Management Fee 1	240,852	242,046
Management Fee 2	148,808	173,413
Total Management Fee	389,660	415,460
Acquisition Fee	—	—

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Compliance

Basic Policy on Compliance

The Asset Manager shall strictly comply with laws and regulations, internal regulations, etc., strive to maintain sound and appropriate business operations and ensure the trust of customers (including the unitholders of CRE REIT which the Asset Manager provides asset management services. The same shall apply hereunder).
From the perspective of ensuring appropriate business operations, the Asset Manager shall establish internal regulations that provide for basic policies on legal compliance, practical implementation plans, a code of conduct, etc. It shall emphasize compliance without relying heavily on revenue targets, provide internal education to executives and employees, explain its significance to them and examine the status of compliance. If any inappropriate treatment, etc. is identified, it shall review internal regulations and devise necessary measures, including the revision of compliance regulations, to prevent the reoccurrence of similar incidents.
If an incident of misconduct occurs, it shall promptly be reported to the compliance department, the executives and the regulatory authorities in accordance with the compliance regulations. Remedial measures ensuring the appropriate functioning of internal checking and the prevention of reoccurrence shall be examined and responsibilities shall be clarified.

Compliance Initiatives

At the Asset Manager, the board, the president, the compliance department, the compliance officer, and the compliance committee determine and verify various matters concerning compliance under their respective authority and responsibility.
The Asset Manager has established a "Compliance Manual" that defines the compliance-related principles, as well as internal regulations to control major risks related to compliance. The Asset Manager strives to prevent problems by maintaining and thoroughly informing all executives and employees through periodic training etc. In addition, the Asset Manager has established monitoring and consultation systems, including internal audits and whistle-blower system, to detect and correct problems as early as possible.
The status of these initiatives is reported to the board and used for periodic risk assessments.

Appropriate Management of Conflict of Interests

In managing the assets of CRE REIT, the Asset Manager shall appropriately identify and manage interested parties in order to avoid customers' interests from being harmed by acts involving a conflict of interest. Regarding transactions with interested parties, the Asset Manager shall follow strict screening procedures in accordance with prescribed rules.
When reviewing a transaction with interested parties, the compliance committee shall be the first to examine a transaction with interested parties. The committee shall ensure objectivity and confirm that there are no problems regarding the legality and fairness of the transaction. Only after the matter is approved and a resolution passed by the compliance committee will the matter be submitted to the investment committee and the board of directors for discussion and resolution. Moreover, these transactions shall be contingent upon the prior consent of CRE REIT based on the approval of the board of directors of CRE REIT, which includes lawyers and certified public accountants as supervising officers. In this manner, transactions with interested parties may be implemented after strict screening procedures.

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Anti-Bribery and Corruption

The Asset Manager has established a "Compliance Manual" that defines the compliance-related principles and strives to prevent such conduct by stipulating the severance of relationships with antisocial forces, moderate entertainment and gifts, prohibition of acts involving a conflict of interest, prohibition of insider trading, etc.
When a compliance violation or suspicious fact is recognized, it is prescribed to report that matter immediately to the compliance officer, and when the compliance officer deems it must be promptly reported to the compliance officer, who will take appropriate action if deemed necessary in light of laws, regulations, and other rules and regulations.
The Asset Manager conducts compliance training for all full-time executives and employees (including contract employees, etc.) four times a year to alert them to the prevention of fraud.

Internal Audits

The Asset Manager has established "Internal Audit Regulations," and the manager of the internal audit office is responsible for internal audits, which are conducted at least once a year, covering all organizations of the Asset Manager and the overall operations of the Asset Manager.
The internal audit manager compiles the audit report promptly after the completion of the audit, reports it to the board, and communicates the audit results to the responsible person in each department. The responsible person in each department must prepare an improvement plan for matters suggested as a result of the internal audit and submit it to the manager of the internal audit, who reports the contents of the plan to the board and the executives and employees of the Asset Manager.

Whistle-Blower System

In accordance with the Whistle-Blower Protection Act, all executives and employees (including contract employees, etc.) of the Asset Manager may report or consult with the internal reception desk set up in the compliance department or an external reception desk (an attorney at law) when they learn of or have suspicions about problematic activities, such as organizational or individual violations of laws, regulations, or internal rules at the Asset Manager. The Asset Manager strives for early detection and correction of fraud, etc., and thereby strengthens compliance management.
Whistle-blowers are protected by prohibitions against prejudicial treatment, etc. in accordance with the Whistle-blower Protection Act and internal regulations.
If an investigation or an evaluation reveals a violation of laws, regulations, internal rules, or other problematic conduct, the Asset Manager will promptly take corrective and recurrence-prevention measures.

Independence of the Asset Manager

The Asset Manager was established as an independent asset management company, and all full-time executives and employees are employed by the Asset Manager.
CRE is not involved in their recruitment or personnel evaluation.

Category	Number of persons	Of which, employees seconded from CRE
Full-time executives	3	-
Employees	16	1
Total	19	1

(Note) As of December 31, 2024.

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Green Finance

What is Green Finance?

Green finance is a method of financing made through green equity offerings, green bonds, and green loans with respect to which the use of proceeds are limited to business activities that take the environment into consideration.
CRE REIT believes that employing proceeds from green finance for the acquisition of assets which satisfy certain eligibility criteria for environmental improvement effects ("Green Buildings") and providing the Green Buildings as infrastructure assets to society will contribute to the environment and society.
Green finance is defined as a method of expanding the financing methods of CRE REIT. It will also enable CRE REIT to understand the ESG (Environment, Society & Governance) expectations of institutional investors who are interested in ESG through dialogue in the course of financing, and reflect their expectations in asset management.

Green Finance Framework and Green Equity Framework

Evaluations of External Reviewers

CRE REIT has established a green equity framework for green equity offerings and a green finance framework for green bonds and green loans.
We have obtained a second party opinion with respect to eligibility for the green equity framework from DNV Business Assurance Japan K.K. ("DNV"), an external evaluation reviewer.
For more details, please visit the DNV website.
https://www.dnv.jp/assurance/news/Index.html?
CRE REIT has also been assigned "Green 1 (F)," the highest grade in the JCR Green Finance Framework Evaluation with respect to eligibility for green finance framework by Japan Credit Rating Agency, Ltd. ("JCR"), an external evaluation reviewer.
For more details, please visit the JCR website.
https://www.jcr.co.jp/en/greenfinance/

Use of Proceeds

Proceeds from green finance will be used to fund acquisitions of Green Buildings or repayments and redemptions of borrowings (including green loans) and investment corporation bonds (including green bonds) for such acquisitions.

Eligibility Criteria

CRE REIT defines properties that have acquired or renewed, or are scheduled to acquire or renew, any third-party assessment body certification or other assessment described in (i) to (iii) below as Green Buildings.

(i) DBJ Green Building five or four stars
(ii) CASBEE (building, real estate, local government) S or A rank
*CASBEE by local governments is limited to those within three years of the construction completion date.
(iii) BELS (FY 2016 standard) five or four stars
BELS (FY 2024 standard) level 6 or 5

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Green Finance

Management of Proceeds

After conducting green finance, CRE REIT will use proceeds promptly or without delay to fund acquisitions of Green Buildings or repayments and redemptions of borrowings and investment corporation bonds for such acquisitions.

If any Green Building for which such proceeds are to be used is excluded from such use of proceeds due to its sale or other reason and there are unused funds, the total outstanding balance of green bonds and green loans for each fiscal period will be managed to ensure that such balance does not exceed the upper limit of green qualifying liabilities for such fiscal period. (Note).

(Note) The upper limit of green qualifying liabilities is calculated by multiplying the total acquisition price of Green Buildings by the interest-bearing debt ratio (LTV ratio) as of the end of the most recent fiscal period.

Reporting

Reporting on the Status of Funds

The status of funds raised through green finance will be disclosed and updated yearly on CRE REIT's website as long as there are unused proceeds from green bonds and green loans.

Status of Funds from Green Equity Offerings

As of April 3, 2023

Form of offering	Payment date	Amount of raised funds	Amount of funds used	Amount of funds unused	Property name
Public offering	2021/09/15	13,147 million yen	13,147 million yen	—	LogiSquare Osaka Katano
Public offering	2023/04/03	9,546 million yen	9,546 million yen	—	LogiSquare Shiroi LogiSquare Hirakata

Status of Funds from Green Bonds

As of September 22, 2023

Name	Issuance date	Redemption date	Amount of issuance	Amount of funds used	Amount of funds unused
CRE Logistics REIT, Inc. 1st Unsecured Investment Corporation Bond (Green Bond)	2020/09/08	2025/09/08	2,000 million yen	2,000 million yen	—
CRE Logistics REIT, Inc. 2nd Unsecured Investment Corporation Bond (Green Bond)	2021/11/26	2031/11/26	2,000 million yen	2,000 million yen	—
CRE Logistics REIT, Inc. 3rd Unsecured Investment Corporation Bond (Green Bond)	2023/09/22	2028/09/21	2,000 million yen	2,000 million yen	—

(Note) Because there are unused funds 61 million yen due to the sale of the trust beneficial right in the LogiSquare Chitose dated on August 3, 2022, for which the 1st Green Bond was to be used, CRE REIT has managed the total outstanding balance of green bonds and green loans for each fiscal period not to exceed the upper limit of green qualifying liabilities for such fiscal period. Please refer to the "Outstanding balance of green bonds and green loans" below for the management.

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Green Finance

Status of Funds from Green Loans

As of January 31, 2025

Lender	Drawdown date	Repayment date	Amount of loan	Amount of funds used	Amount of funds unused
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. MUFG Bank, Ltd. Japan Post Bank Co., Ltd. Resona Bank, Limited The Nishi-Nippon City Bank, Ltd Development Bank of Japan Inc.	2021/07/30	2028/01/31	4,274 million yen	4,274 million yen	—
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. The Shizuoka Bank, Ltd. Development Bank of Japan Inc. MUFG Bank, Ltd. The Bank of Fukuoka, Ltd. The Hyakujushi Bank, Ltd. The Yamaguchi Bank, Ltd Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited Aozora Bank, Ltd. The Bank of Toyama, Ltd. The Yamanashi Chuo Bank, Ltd.	2021/09/15	2027/03/31	4,000 million yen	4,000 million yen	—
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Development Bank of Japan Inc. SBI Shinsei Bank, Limited Aozora Bank, Ltd. The Yamaguchi Bank, Ltd Sumitomo Mitsui Trust Bank, Limited The Yamanashi Chuo Bank, Ltd. The Hyakujushi Bank, Ltd.	2021/09/15	2027/09/30	3,500 million yen	3,500 million yen	—
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Development Bank of Japan Inc. MUFG Bank, Ltd. Resona Bank, Limited The Nishi-Nippon City Bank, Ltd	2022/01/31	2028/07/31	3,680 million yen	3,680 million yen	—
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Development Bank of Japan Inc. Resona Bank, Limited The Nishi-Nippon City Bank, Ltd	2022/07/29	2028/07/31	1,200 million yen	1,200 million yen	—
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Development Bank of Japan Inc. MUFG Bank, Ltd. Resona Bank, Limited	2023/01/31	2028/01/31	3,330 million yen	3,330 million yen	—

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Green Finance

Lender	Drawdown date	Repayment date	Amount of loan	Amount of funds used	Amount of funds unused
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Development Bank of Japan Inc. Resona Bank, Limited. Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited Aozora Bank, Ltd. The Bank of Fukuoka, Ltd. The Yamaguchi Bank, Ltd. The Shizuoka Bank, Ltd. The Yamanashi Chuo Bank, Ltd. The ChibaBank, Ltd.	2023/03/31	2026/03/31	4,550 million yen	4,550 million yen	—
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Development Bank of Japan Inc. Resona Bank, Limited. Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited Aozora Bank, Ltd. The Yamaguchi Bank, Ltd. The Shizuoka Bank, Ltd. The Yamanashi Chuo Bank, Ltd. The Chiba Bank, Ltd.	2023/03/31	2028/09/29	3,250 million yen	3,250 million yen	—
MUFG Bank, Ltd.	2023/04/03	2027/09/30	700 million yen	700 million yen	—
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Development Bank of Japan Inc. Resona Bank, Limited Sumitomo Mitsui Trust Bank, Limited The Nishi-Nippon City Bank, Ltd.	2023/07/31	2029/01/31	2,900 million yen	2,900 million yen	—
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Development Bank of Japan Inc. Resona Bank, Limited	2024/01/31	2029/01/31	2,680 million yen	2,680 million yen	—
MUFG Bank, Ltd.	2024/01/31	2029/01/31	650 million yen	650 million yen	—
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Development Bank of Japan Inc. Sumitomo Mitsui Trust Bank, Limited The Bank of Fukuoka, Ltd. Resona Bank, Limited	2025/01/31	2030/01/31	4,900 million yen	4,900 million yen	—

(Note) As a result of the sale of LogiSquare Kuki II on December 26, 2024 and January 31, 2025, there are total of 494 million yen of unused funds in relation to 3,680 million yen borrowed in January 2022, 3,330 million yen borrowed in January 2023, and 2,680 million yen and 650 million yen borrowed in the January 2024 , which are refinancing funds for the acquisition of LogiSquare Kuki II. Therefore, CRE REIT is currently conducting portfolio management. Please refer to the "Outstanding balance of green bonds and green loans" below for the management.

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Green Finance

Outstanding Balance of Green Bonds and Green Loans

The total acquisition price of Green Buildings, the upper limit of green qualifying liabilities and the outstanding balance of green bonds and green loans will be reported yearly as long as there are unused proceeds from green bonds and green loans.

Status of Green Buildings

Please refer to the "External Evaluation and Certifications" page.

Outstanding Balance of Green Bonds and Green Loans

As of February 17, 2025

Acquisition price of Green Buildings	157,425 million yen
LTV Ratio（As of December 31, 2024）	44.4%
Upper limit of green qualifying liabilities	69,828 million yen
Outstanding balance of green bonds and green loans	45,614 million yen

(Note) Acquisition price of Green Buildings excludes the properties scheduled for sale.

Impact Reporting

The following indices will be disclosed yearly on CRE REIT's website to report on environmental improvement results.

◆Type and rank of environmental certification and aggregate amount of total floor space of all properties including Green Buildings.

◆Following environmental data (data of properties held, not limited to Green Buildings, for which data can be obtained will be disclosed).

(i) Amount of energy consumption
(ii) Amount of water consumption
(iii) Amount of greenhouse gas emission or reduction

Environmental Data

Environmental improvement results including environmental data are available on the "Environment" page.

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