



November 11, 2021
The Norinchukin Bank
Japan Real Estate Investment Corporation

The Norinchukin Bank Signs into Sustainability Linked Loan Agreement

The Norinchukin Bank (President & CEO: Oku Kazuto) announces that it concluded the Sustainability Linked Loan ("SLL") Agreement with Japan Real Estate Investment Corporation (Executive Director: Yutaka Yanagisawa, hereinafter "JRE").

It is the third SLL between the two organizations and the first and second SLLs executed on January 29, 2021 (total of 10 billion JPY) were selected as a model project of "FY2020 Model Projects of Sustainability Linked Loans" organized by the Ministry of the Environment Japan, for demonstrating its pioneering financing methods with the modelability of environmental improvements.

JRE believes that it is the social responsibility expected of a listed investment corporation to work to improve social sustainability, such as environmental considerations, social contributions, and enhanced governance, and that such is essential for maximizing unitholder value. Under this policy, JRE's asset management company, Japan Real Estate Asset Management Co., Ltd., has formulated its sustainability policy and established the environmental Key Performance Indicators (KPIs) such as reducing CO₂ emissions, the number of ZEBs owned, and reducing water consumption.

ZEB stands for a net Zero Energy Building, a building that aims to achieve zero energy balance while maintaining a comfortable indoor environment by dramatically reducing annual energy consumption through renewable energy such as solar power generation, as well as by enhancing energy efficiency with the use of high thermal insulation, solar radiation shielding, natural energy, and energy-efficient equipment. In March 2021, JRE acquired "ZEB Ready" certification for its Higashi-Gotanda 1chome Building and continues to proactively address climate-change risks.

The Norinchukin Bank sets sustainable management at its core and commits 10 trillion JPY new transactions for sustainable finance in its Medium/Long-term Goals announced in May 2021. With empathy to the long-term vision of JRE's sustainable management, the Bank decides to conclude the SLL agreement with its assessment that this SLL enables financing that contributes to the resolution of climate change issues, which has a large relationship with the agriculture, forestry, and fisheries industries, the foundation of the Bank.

The SLL Agreement sets Sustainability Performance Targets (SPTs) of CO₂ emissions (FY2030 target: 35% reduction compared to FY2013, on carbon intensity basis) and the number of ZEB-certified properties¹ (FY2030 target: 5 buildings), in alignment with targets based on JRE's Sustainability Policy.

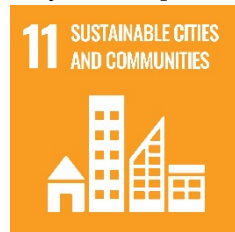
In concluding the SLL agreement, the Norinchukin Bank and JRE obtained the second-party opinion from Japan Credit Rating Agency, Ltd., which views that the SLL is compliant with SLL Principles, and the STPs set for the SLL are meaningful and ambitious.

¹ Includes Nearly ZEB, ZEB Ready, ZEB Oriented under BELS (Building-Housing Energy-efficiency Labeling System) assessment.

[Summary of the Loan]

- Date of execution: November 15, 2021
- Loan term: 10 years
- Loan amount: 5 billion JPY
- Use of proceeds: Refinancing and cash on hand

[Main SDGs contributed by the SLL]



[Reference Link]

JRE's ESG site:

<https://jre-esg.com/en/>(Link)

Third-party opinion from Japan Credit Rating Agency, Ltd.:

<https://www.jcr.co.jp/greenfinance/>(Link)

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