

2020

ESG

Report

GLP J-REIT



Index

Message	P. 2
2020 Highlights	P. 3
ESG Policy	P. 5
Environment	P. 8
Social	P. 13
Corporate Governance	P. 22
ESG Finance	P. 26

A Message from Our Executives



Yoshiyuki Miura

Executive Director of GLP J-REIT and President of GLP Japan Advisors Inc.

To begin, please let me express my best wishes for all of our investor clients. I would also like to express my hopes that anyone who may have fallen ill during the ongoing coronavirus pandemic has a speedy recovery, and to express my sincere respect and gratitude to all healthcare workers and others who are making efforts to resolve this crisis.

GLP J-REIT is Japan's leading listed real estate investment corporation specializing in logistics facilities. We at GLP J-REIT, together with our asset management firm GLP Japan Advisors Inc., consider it to be our social mission to strive for a sustainable society through our business activities. To that end, we have enhanced our efforts toward sustainability.

We believe that logistic facilities, as the infrastructure of society, has massive potential to contribute to resolving the societal issues. Through management of investment in real estate, we aim not only to increase value for investors but to contribute to the resolution of global problems, such as responding to climate change and realizing sustainable cities and communities.

We have decided to publish a summary of our basic philosophy and our efforts up to this point regarding sustainability in the present ESG Report.

GLP J-REIT and our asset management firm will continue to maintain and enhance our sustainability measures, and by disclosing ESG information we will deepen our communication with our various stakeholders from investors, tenants, and members of our supply chain to the wider regional community and employee. We hope to work together with our stakeholders to strive toward a sustainable society.

A Message from CSO



Hisatake Miki

CSO of GLP Japan Advisors Inc.

I was appointed CSO (Chief Sustainability Officer) on April 1, 2021. As more and more attention is paid to ESG, the GLP Group aims to be a responsible member of society, engaged in a variety of efforts regarding ESG.

Some examples of these initiatives are our working to reduce our environmental footprint by acquiring eco-friendly building certifications for the logistics facilities we develop and own, contributing to society through volunteer activities and allowing our logistics facilities to be used as evacuation sites, and reinforcing our corporate governance through the introduction of an investment unit ownership plan. GLP J-REIT also executes financing that utilizes these ESG initiatives. In terms of our ESG bond issuance balance, we are the top J-REIT in the industry.

For the employees of GLP, we are promoting work style reforms during the present coronavirus pandemic: we are developing an environment that facilitates working from home, and are enhancing programs meant to support employees' health and safety. By engaging in these initiatives, we seek to create a staff that can embody the spirit of "well-being" that GLP stands for.

We have decided to begin publishing an "ESG Annual Report" in order to lay out these initiatives for our various stakeholders in a systematic and comprehensible manner. The GLP Group will continue to proactively promote sustainability, and will continuously publish information to promote a deeper understanding of GLP Japan Advisors' business activities.

An Introduction to GLP J-REIT

- Invests in advanced logistics facilities, and is one of the largest logistics J-REITs in terms of assets
- With the most properties of any logistics J-REIT, its investment area covers the entirety of Japan, centered in the greater Tokyo area and the Kansai area known as excellent locations for logistics but with locations from Hokkaido in the north to Kyushu in the south

No. of properties owned

83

Asset size

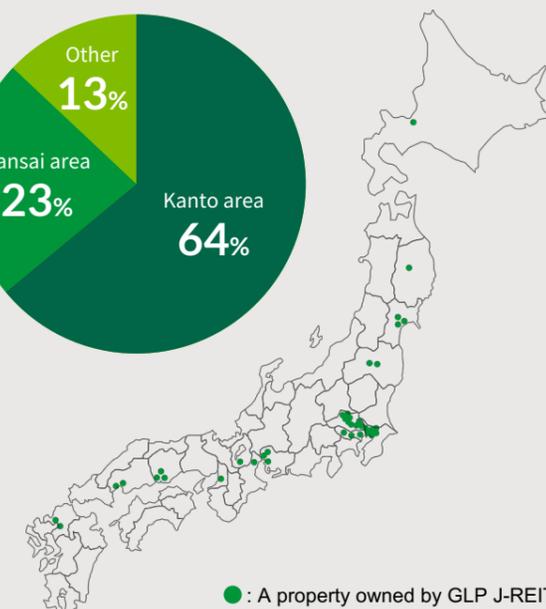
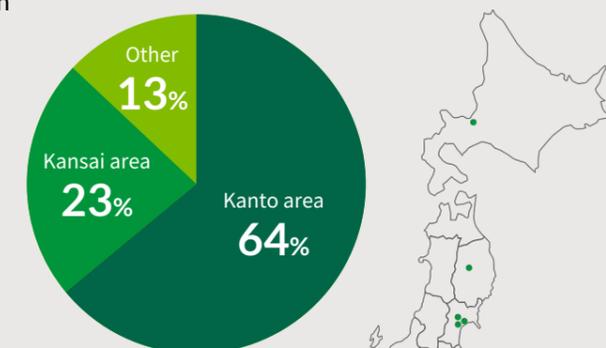
7,441
billion yen

No. of tenant companies

149

Operating ratio

99.7



Data is accurate as of February 28, 2021

Awarded 5 Stars and Green Star, Named Global and Asia Sector Leaders from GRESB



GLP J-REIT has been awarded the prestigious “5 Stars” and “Green Star” by the 2020 GRESB Real Estate Assessment.

GLP J-REIT received a “5 Star” GRESB Rating, which is based on GRESB Overall Score and its quintile position relative to global participants, and was awarded the highest rating of “5 Star” and ranked fourth among global listed industrial sector out of 22 peers and fourth in Asia listed industrial sector.



GLPJ-REIT was selected as both Global Sector Leader and Asia Sector Leader among Sector Leaders, titles given to the participant who achieved the highest GRESB Overall Score (and those who are within 1.0 point from the top performer) in the listed logistics real estate sector.

Expansion of CASBEE Certification

- Obtained CASBEE real estate evaluation certification at GLP Neyagawa in April and GLP Yokohama in August
- In March 2021, GLP / MFLP Ichikawa Yokohama received a “ZEB Ready” rating in addition to the 5-star rating, which is the highest rating of BELS.
- The number of properties that have acquired CASBEE certification has expanded to 31 properties, and the ratio of environmental certification has increased to 61%.
- Aim to obtain 80% of environmental certification by 2024.



5 star ★★★★★ (Rank S)
GLP Yokohama

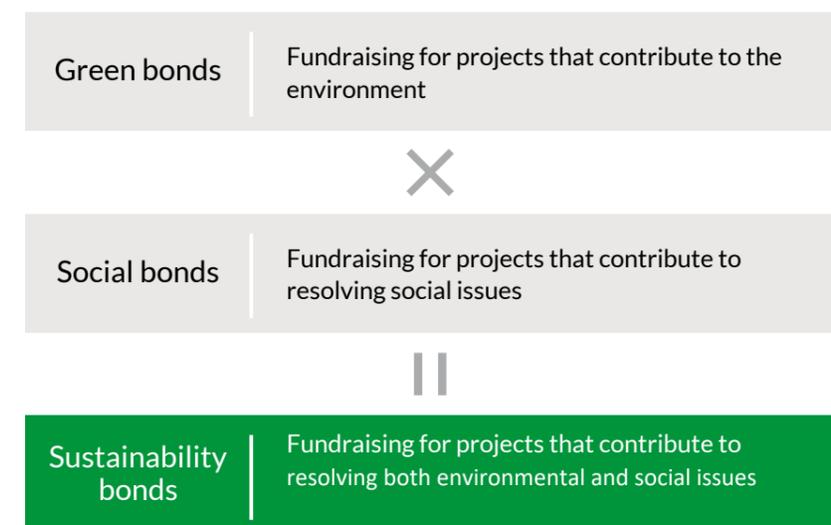


5 star ★★★★★ (Rank A)
GLP Neyagawa



Issued “Sustainability bonds”, first-ever achievement in J-REIT market

- In September 2020, J-REITs issued the first sustainability bond and succeeded in cultivating demand from new investors growing interest in ESG.
- In December 2020, succeeded in issuing a second sustainability bond in the form of a target deal for ultra-long-term bonds targeting major domestic insurance companies that are highly interested in ESG.
- In March 2021, the third sustainability bond was issued, and the outstanding balance of ESG bonds (green bonds and sustainability bonds) was 31.6 billion yen, which is the top in the J-REIT market.



GLP Yokohama



GLP Amagasaki



Overview of Sustainability Bond Issuance

	GLP J-REIT 15th unsecured bonds (Sustainability Bond)	GLP J-REIT 16th unsecured bonds (Sustainability Bond)	GLP J-REIT 17th unsecured bonds (Sustainability Bond)
Date of Issuance	Sep. 25, 2020	Dec. 23, 2020	Mar. 23, 2021
Amount/Period	5.0 bn yen /10 years	3.5 bn yen /15 years	5.0 bn yen /20 years
Interest Rate	0.51% per annum	0.75% per annum	0.97% per annum
Evaluation Agency (JCR)	Obtained SU1(F), the highest JCR Sustainability Finance Framework Evaluation from JCR		

Responding to the COVID-19 Pandemic

- The GLP Group recognizes that, faced with the global coronavirus pandemic, preventing the spread of the infection is our highest-priority. In order to protect the health and safety of customers, our employees, and all other stakeholders, we have established guidelines and are focused on infection prevention measures.

For Tenant Customers

Installed contact-free hand sanitizer



Installed a panel layout



For Employees

GLP has put in place “work style guidelines” with the goal of having our employees maintain an efficient work environment while ensuring their safety. These guidelines are intended to provide resources and support to employees during the unprecedented coronavirus pandemic.

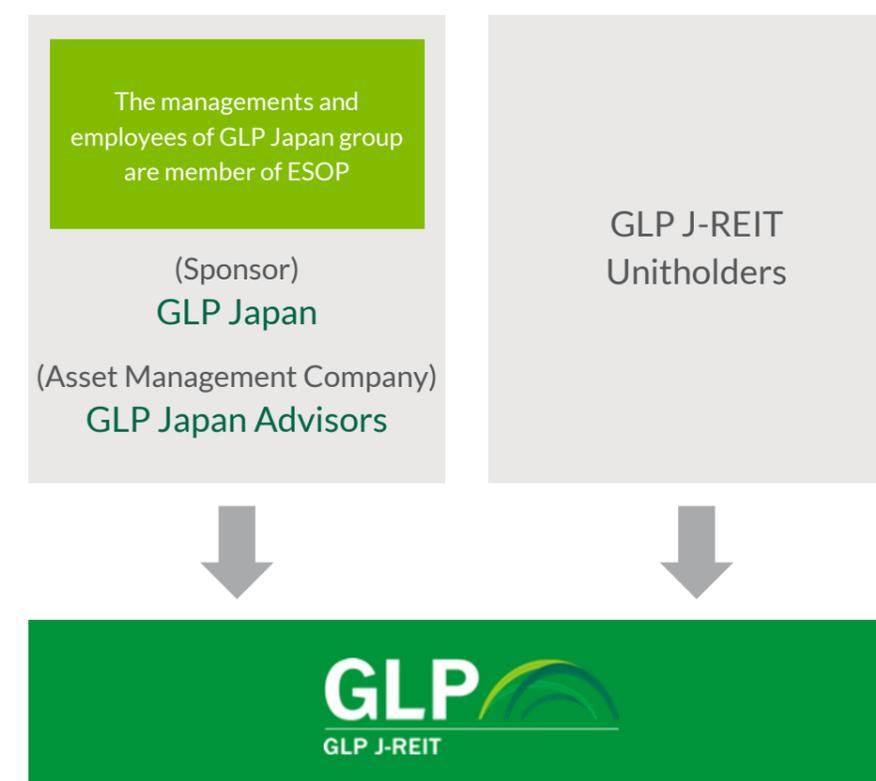
- Implementing pulse-checks for employees through the introduction of Wevox



- Providing remote work assistance and well-being assistance
- Changing our office layout in order to prevent the spread of the novel coronavirus infection

Establishing a GLP Group hold investment units

- Further strengthen governance by establishing an investment unit for executives and employees of sponsors and asset management companies in May 2020
- Alignment effect between sponsors and management of asset management companies, employees and investors
- Aiming for continuous growth of the Investment Corporation and further raising awareness of improving unitholder value over the medium to long term



ESG Policy



Purpose of the ESG Policy Framework

At GLP, we are committed to a broad range of environmental, social and governance (ESG) commitments that elevate our business, create value for our shareholders and investors, support our employees and customers, and show respect to the local communities in which we work. We believe ESG is our corporate responsibility as business builders and investors as well as an opportunity to promote good business ethics and focus on a more sustainable and resilient future.

We focus on improving efficiency across our businesses through the use and integration of data and technology. As a result, we are able to reduce consumption, better manage assets and invest capital more efficiently, which in turn generates better returns for our shareholders and investors, reduces costs for our customers and partners, and helps our global employees by increasing motivation and productivity to enhance an individual's livelihood.

We aim to be a global leader on integrated ESG commitments because we believe that sustainability is an essential part of our long-term success as global corporate citizens. To be a global leader we are committed to continuously improving our ESG policy to meet or exceed evolving standards and expectations of our shareholders, investors, customers, employees and communities.

This ESG Policy Framework has been prepared to support us in developing ESG commitments, integration into our overall business and investment approach, responsibility of implementation and monitoring and reporting framework.

GLP's Sustainability Principles

At GLP, we are committed to making sustainability a core component of our business in order to build a more sustainable and resilient future. The intent of GLP's sustainability commitment is to implement our unique ESG Sustainability Principles that support this ESG Policy Framework:

Build Businesses and Invest Responsibly

At GLP, building businesses and investing responsibly means embedding ESG into our investment and decision-making processes. This helps us to identify and avoid ESG risks and means that:

- we understand and identify how GLP's activities can impact material ESG factors and how these can affect our reputation, capital value and stakeholders;
- we focus on how we can best manage our workforce, whether it is our own employees or contractors and suppliers;
- we recognize how we can work with the communities where we invest and operate businesses and how we can enhance our presence through economic development, limiting our environmental impact and seeking a community's license to operate.

Develop and Manage Sustainable Assets

For GLP, ESG also is considered after the development, acquisition or investment decision. GLP teams across investment management, asset management and corporate management are empowered to prioritise, act, track and monitor the sustainability performance of our assets and in certain instances collaborate with our workforce, partners and communities.

Consistent ESG performance across an asset's lifecycle helps us to actively manage the sustainability of assets.

Improve Efficiency and Enhance Value

As a leading global investment manager and business builder, GLP's mission is to build sustainable businesses and generate attractive risk-adjusted returns to shareholders and investors over the long term, while providing exceptional investment and operational services that enhance value. GLP's asset management teams are responsible for enhancing the value of our assets through effective operations.

Additionally, GLP develops and invests in technologies and innovations that enhance the efficiency of our assets including data analytics, robotics, automated clearance systems, digital loading docks, smart sorting, telematics, energy-efficient fleet management systems, Internet of Things, resource conservation and our transition to renewable energy.

To provide our global customers with increased opportunities to enhance their sustainability endeavours, GLP focuses on sustainability initiatives that increase resource conservation, leverage climate action, improve health and well-being and support local communities.

Govern with High Ethics and Transparency

GLP is committed to maintaining the highest standards of corporate governance as a means of enhancing corporate performance and accountability. To demonstrate its commitment towards excellence in corporate governance, GLP has established a series of well-defined policies and processes to protect its stakeholders' interests. GLP's leadership team

recognizes the importance of strong corporate governance and the maintenance of high standards of accountability to GLP's shareholders and remains firmly committed to seeing that those standards are satisfied through an evolving suite of governance practices that are woven into the fabric of the GLP's business. GLP continually reviews and refines its processes in light of best practice, consistent with the needs and circumstances of the group. We maintain a zero-tolerance approach to bribery and corruption and require all management and employees to comply with our Code of Business Conduct at all times and provide annual certification.

Promote Well-Being

GLP aims to incorporate health and well-being throughout its organization and assets in support of its employees, customers and the communities in which we work. By focusing on promoting well-being we can enhance an individual's livelihood, increase motivation and productivity as well as bring communities together.

We focus on introducing well-being concepts such as creating spaces that encourage physical activity, integrating natural lighting, improving access to nature and providing areas for healthy eating and socializing.

Efforts to achieve the SDGs

ESG Committee

The Sustainability Task Force, which was established in 2014, was newly organized as the ESG Committee in April 2021 with the aim of further promoting ESG.

Member	Resolution
<ul style="list-style-type: none"> • CSO • President • CIO • CFO (Organized by General Affairs Dept.)	<ul style="list-style-type: none"> • Basic policy for promoting ESG • Annual plan for ESG promotion • Initiatives for various ESG measures • Selection of assets subject to sustainability finance, etc.

Important issues and initiatives in each ESG area

	Important issues	GLP J-REIT's Initiatives
Environment	Reducing the environmental load	<ul style="list-style-type: none"> • Initiatives against climate change <ul style="list-style-type: none"> -Initiatives in renewable energy -Initiatives in energy saving • Initiatives in water resources <ul style="list-style-type: none"> -Using rainwater and well water -Updating toilet equipment and installing saving devices • Initiatives in recycling <ul style="list-style-type: none"> -Promoting the reuse of logistics goods through business partnerships -Separating trash in collaboration with tenants
Social	Coexisting with local communities	<ul style="list-style-type: none"> • Initiatives in local communities <ul style="list-style-type: none"> -Contributing as a local disaster prevention center • Initiatives in BCP <ul style="list-style-type: none"> -Seismic isolation structure -Flood and snow damage control -Stockpiling disaster-relief supplies for disaster prevention -Conducting daily COVID-19 countermeasures
	Realizing a sustainable society	<ul style="list-style-type: none"> • Initiatives for tenant employees <ul style="list-style-type: none"> -Replete with amenities such as cafeterias and stores -Conducting customer satisfaction surveys • Initiatives for employees <ul style="list-style-type: none"> -Promoting paid leave -Promoting remote work and other diverse ways of working -Implementing training programs and supporting certification exams
	A work environment that encourages diverse work styles, human resource development, and gender equality	<ul style="list-style-type: none"> • CSR activities <ul style="list-style-type: none"> -Providing work experience opportunities -Trash pickup campaign
	Contributing to solving social issues	
Governance	Achieving healthy growth for all stakeholders	<ul style="list-style-type: none"> • Reinforcing governance structure <ul style="list-style-type: none"> -Governance by general meeting of unitholders, board of directors' meetings, and auditors -Disclosing decision-making processes -Establishing a compliance structure to ensure legal compliance -Eliminating anti-social forces -Pursuing fiduciary responsibility by implementing governance structure for related-party transactions • Pursuing mutual interests with unitholders <ul style="list-style-type: none"> -Operating an employee stock ownership plan targeting officers and employees of the sponsor and the asset management company • Timely and appropriate disclosure of information

Environment



Basic Policy

The GLP Group's fundamental approach to facility design and operational processes is energy-saving. We strive to improve energy efficiency in both existing facilities and new facility developments. In accordance with the above policy, GLP J-REIT actively owns environmentally friendly buildings and introduces eco-friendly equipment, as well as develops rules for checking sustainability and environment protection items in the due diligence process when considering the purchase of a property. Thus, it takes utmost care in that its asset management operations pay consideration to the sustainability of society and environmental protection. At the facilities it operates, GLP J-REIT sets numerical targets and monitors the amount of energy and water used within the facility as well as the amount of waste. Furthermore, GLP J-REIT not only strives to save energy and reduce waste in common areas but also shares information on the amount of energy used and waste with tenant companies in an effort to reduce environmental load together with tenant companies by issuing an energy-saving guidebook according to energy use and recommending to stop idling engines within facility premises.

Initiatives against climate change

Initiatives in renewable energy



Solar power generation facilities



Wind power generation



Number of solar facilities

21



Annual solar power generation

25,641 MW
(2019)

Initiatives in energy-saving



LED lighting



Human-presence sensors

Cooperation with tenants

At the facilities it operates, GLP J-REIT sets numerical targets and monitors the amount of energy used within the facility. Furthermore, it not only strives to save energy and reduce waste in the common areas but also makes efforts to reduce environmental load together with tenant companies through initiatives such as issuing an energy-saving guidebook according to the use of energy by the tenants.

Green lease

GLP J-REIT includes the following clauses in its standard lease contracts signed with its tenants to cooperate with them in reducing environmental load.

- Cooperation in improving environmental performance to obtain environmental certification (saving electricity and water, reducing waste)
- Sharing of data and targets on energy consumption

Goal

Include a green lease clause for all new contracts to be concluded in the future, and include a green lease clause for all contracts including existing contracts by the end of 2023.

Tenant management programs

In cooperation with tenants, GLP Group takes part in various initiatives that reduce environmental load. We proactively work to increase tenant awareness regarding how to reduce environmental load and cut water and electricity consumption. Specifically, we promote the visualization of electricity consumption by sending meter data to our tenants, encouraging them to turn off their vehicles when stopped, and encouraging them to save water and electricity.

- Visualize electricity consumption in cooperation with tenants
- Provide tenants with information on energy, water, waste, and other consumption and emissions
- Tenant awareness and education activities, etc.



Trash separation



Energy-saving guidebook

Initiatives in water resources

GLP J-REIT makes efforts to save water by updating toilet equipment when tenants move in or leave, and by using rainwater and well water.



Water-saving by updating toilet equipment



Installation of water-saving devices.



In an effort to save water, well water and rainwater are used to drain toilets as well as to water the plants in the facility.



Initiatives in waste management

Formed a business alliance with Hyperion, the operator of the second-hand logistics equipment purchase site "Matebank," and sold cheaply when moving in (purchase price 5-10% OFF) and expensive purchase when moving out (purchase price 5-10% UP). Realized. We support the cost reduction associated with the relocation and move-out of residents.



Make environmental considerations through redevelopment

- Rebuilt and redeveloped an existing facility (B building) at GLP Urayasu II by GLP Group
- Upon redevelopment, the building acquired Rank A certification from CASBEE for Real Estate as it was able to reduce electricity use by installing LED lighting throughout the entire newly developed building and through large ceiling fans in air-conditioned areas



GLP Urayasu II

Pollution prevention

- When acquiring real-estate-related assets, etc., as a rule, experts conduct an environmental contamination survey prior to the conclusion of a purchase agreement, and the survey results will be evaluated and considered based on the Asset Management Guidelines.
- Moreover, as a rule, our investment targets will be properties that are appropriately treated for soil contamination, etc., in accordance with the Soil Contamination Countermeasures Act (Act No. 53, 2002), other related environmental laws, and municipal ordinances or guidance.

Acquisition of environmental certification

Certification application ratio 60 % ※	BELS and ZEB certifications	CASBEE certifications
	11 properties	31 properties

※Total floor area base

Goal | Aim to obtain 80% of environmental certification by 2024

Obtaining BELS evaluation

- BELS (Building Energy-efficiency Labeling System) is a public system that evaluates the energy-saving performance of non-residential buildings, which was set by the Ministry of Land, Infrastructure, Transport and Tourism in April 2014. This is a system in which a third-party organization evaluates energy conservation performance based on primary energy consumption based on the Energy Conservation Law (Note) regardless of whether it is a new building or an existing building. The evaluation is based on five levels of energy conservation performance labeling (★~★★★★★) is displayed.
- BELS is expected to play a role in promoting the provision of appropriate information on the energy-saving performance of buildings and the further improvement of the energy-saving performance of non-residential buildings as Japan's first public evaluation index for energy-saving performance.



GLP Atsugi II : ★★★★★



GLP-MFLP Ichikawa-Yokohama : ★★★★★

GLP Kobe-Nishi	★★★★★	GLP Iwatsuki	★★★★★	GLP Komaki	★★★★
GLP Atsugi II	★★★★★	GLP Koriyama I	★★★★★	GLP Tokyo II	★★★★
GLP Yoshimi	★★★★★	GLP Misato II	★★★★★		
GLP・MFLP Ichikawa-Yokohama	★★★★★	GLP Sugito	★★★★★		
		GLP Tosu I	★★★★★		

Obtaining CASBEE evaluation

- CASBEE (Comprehensive Assessment System for Built Environment CASBEE (Comprehensive Assessment System for Built Environment Efficiency) is a comprehensive rating system provided by the Institute for Building Environment and Energy Conservation (IBEC), a non-profit organization supervised by the Japanese government, which assesses and evaluates buildings' environmental functions based on various factors including environmentally friendly construction materials and workplace comfort/amenities, and how the building complements the local community and environment.
- CASBEE Certifications are based on a five-scale system ("Rank S (excellent)," "Rank A (very good)," "Rank B+ (good)," "Rank B- (slightly inferior)" and "Rank C (inferior)") for buildings that have been completed for more than one year.



GLP Tokyo : S Rank



GLP Soja I : S Rank

Property with CASBEE evaluation

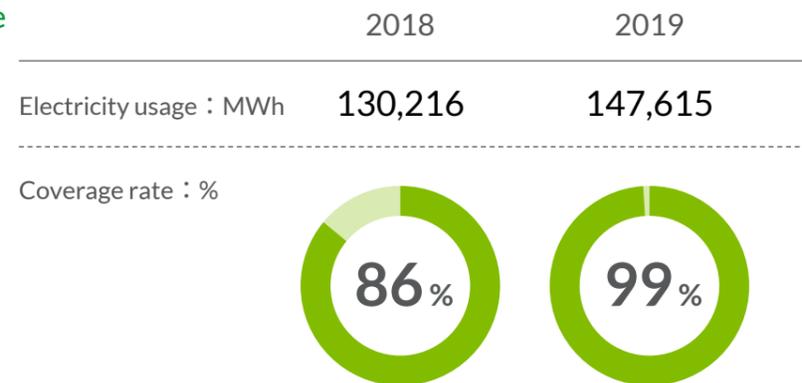
GLP Koshigaya II	S Rank	GLP Amagasaki	S Rank	GLP Kazo	A Rank
GLP Sodegaura	S Rank	GLP Misato III	S Rank	GLP Hamura	A Rank
GLP Urayasu III	S Rank	GLP Komaki	S Rank	GLP Tokyo	A Rank
GLP Sugito	S Rank	GLP Soja I	S Rank	GLP Shinsuna	A Rank
GLP-MFLP Ichikawa - Yokohama	S Rank	GLP Soja II	S Rank	GLP Sendai	A Rank
GLP Yoshimi	S Rank	GLP Osaka	S Rank	GLP Funabashi II	A Rank
GLP Kobe-Nishi	S Rank	GLP Koriyama III	S Rank	GLP Shiga	A Rank
GLP Tosu I	S Rank	GLP Atsugi II	S Rank	GLP Neyagawa	A Rank
GLP Sugito II	S Rank	GLP Noda-Yoshiharu	S Rank	GLP Urayasu II-Building B	A Rank
GLP Maihama II	S Rank	GLP Yokohama	S Rank	GLP Yachiyo II	A Rank
GLP Tokyo II	S Rank				

Environmental Performance

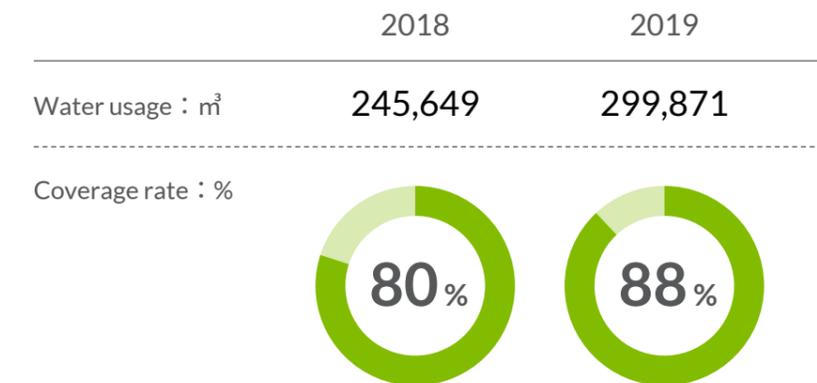
Through various initiatives, the Investment Corporation is working with tenants to reduce the use of energy, water, and waste.

Goal | 100% data coverage for properties with management authority by 2021

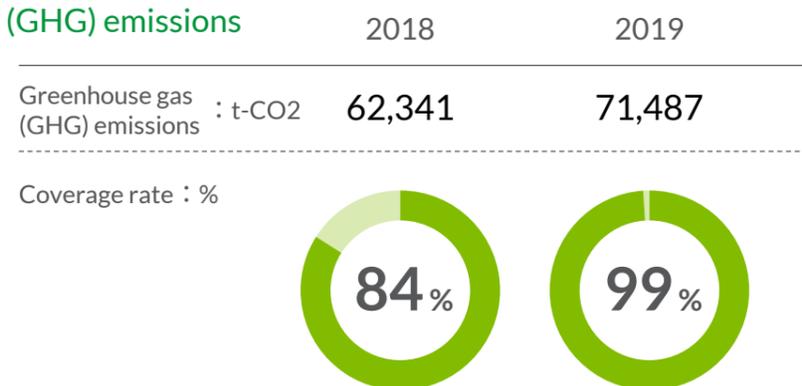
Electricity usage



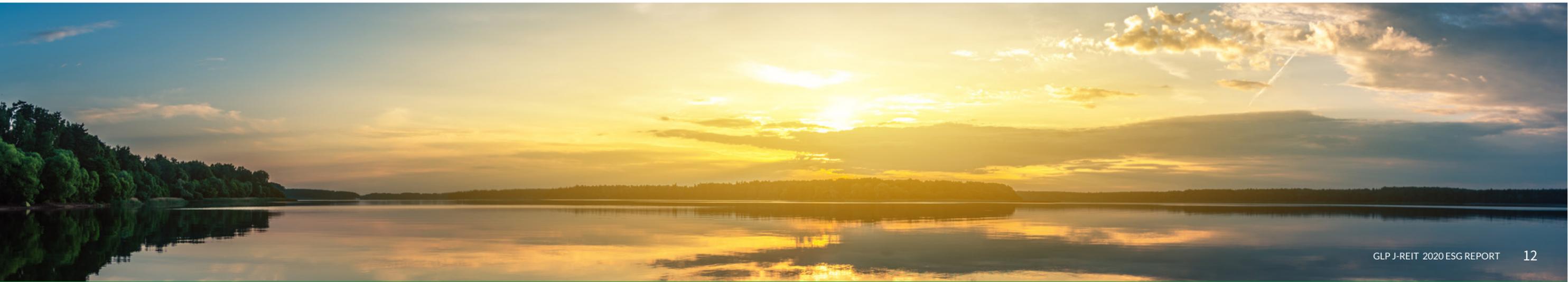
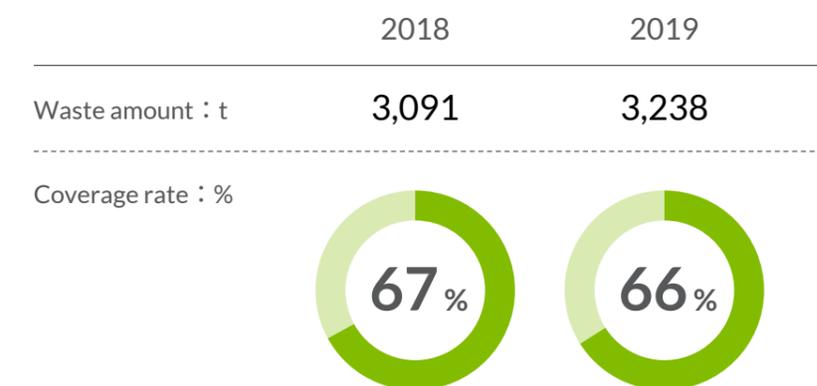
Water usage



Greenhouse gas (GHG) emissions



Waste amount



Social

Basic Policy

The GLP Group will conduct business management by placing emphasis on ensuring the comfort and health of its employees and customers as well as local communities. In accordance with the above policy, GLP J-REIT actively engages in CSR activities in full coordination with the GLP Group. It also contributes to the BCP of tenant companies by ensuring the safety of tenants, facility users, and local communities as well as that of the stored cargo and employees of tenant companies. Furthermore, it conducts a customer satisfaction survey of tenant companies each year to provide buildings and services that offer comfort to tenants and facility users and makes improvements to its buildings and services on a continuous basis based on the feedback obtained from the survey. It also pays consideration to the surrounding environment through activities such as the planting of trees as well as volunteering and hosting events in an effort to contribute to building a safe and comfortable community. We also carry out various initiatives each year to offer job satisfaction to employees as well, such as conducting an employee satisfaction survey targeting the employees of GLP Japan Advisors.

Information Disclosure and Dialogue with Stakeholders



GLP Group's CSR Activities

The GLP Group is actively engaged in CSR activities, offering support in discovering and nurturing children's possibilities and talents.

Activities in Japan

Sports events



Work experience opportunities



Delivering picture books to children in developing countries



Picking up trash at the coast



Activities abroad

Founded GLP Hope School and provided educational opportunities to around 10,000 students



Disaster response

The GLP Group has entered into agreements with many local governments to use its modern logistics facilities as a reconstruction support base or evacuation point at times of a natural disaster or emergency, building on its highly rated business continuity measures such as seismic isolation structures, backup power supply, and groundwater supply equipment.

The GLP Group has also entered into agreements with local authorities for use of GLP J-REIT facilities as temporary reconstruction support centers and evacuation site in the event of a natural disaster or other emergency. GLP J-REIT multi-tenant properties are available for use as emergency shelters for local residents upon request from the local authority or residents of the afflicted area. Part of the premises can be used as a disaster management base (a temporary reconstruction support center and shelter for the local municipality in the event of a natural disaster or other emergency).

Cooperation agreement on disaster management with local governments



A slope that people can climb at the same time during a disaster



Open cafeterias, etc., as temporary evacuation sites



Distributing and stockpiling of disaster-relief supplies

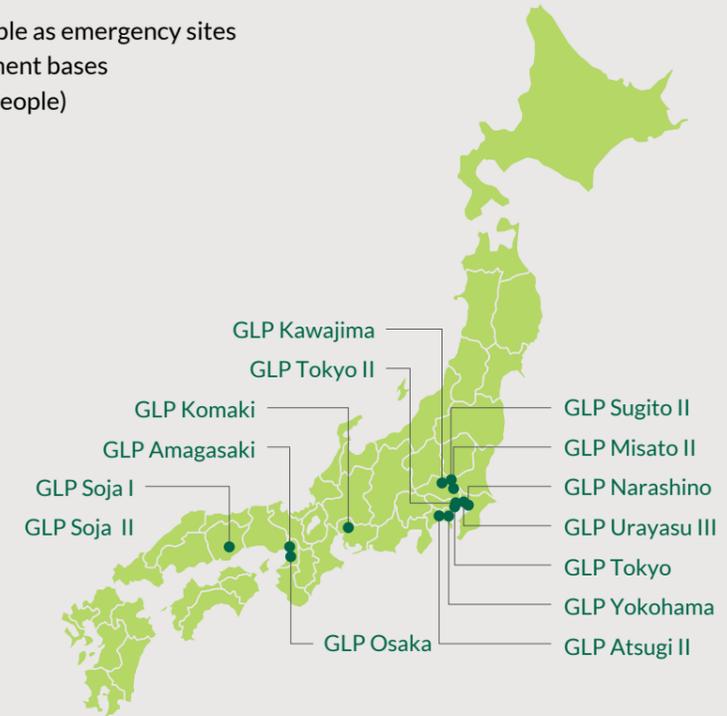


Installing in-elevator fire prevention cabinets



Contribution to local communities as a disaster prevention base

14 properties available as emergency sites or disaster management bases
(Capacity of 8,577 people)



GLP Yokohama (Emergency capacity: 922 people)



GLP Kawajima
In September 2020, during the approach of Typhoon #12, the local government asked for the use of GLP Kawajima as an emergency shelter based on the disaster agreement.



GLP Atsugi II

Contribution to local communities

A logistics facility is more than just a warehouse. When a logistics facility is created, not only does it create a logistics hub, but other things such as new jobs, people-to-people connections, and human flows are created. We also endeavor to create a space that brings out the best in the area.

In consideration of co-existence with local communities and contributing to the development of communities that offer safety and comfort, the GLP Group carries out initiatives such as opening up convenience stores and cafeterias to the neighborhood as shared spaces at some of our facilities, planting trees and installing photocatalytic pavement, as well as having our employees conduct beautification activities around our facilities.

Opening convenience stores as shared space



At some of our facilities, we open up convenience stores and cafeterias to the neighborhood as shared spaces

Introduction of reservation-based parking-matching services



Planting trees



Photocatalytic pavement



Employees conduct beautification activities around our facilities

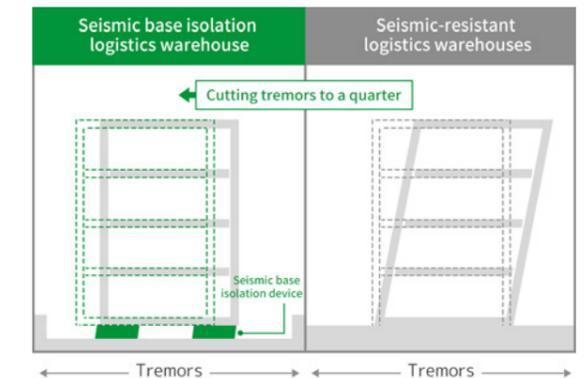


Ensuring tenant safety

The GLP Group makes efforts to provide buildings and services that pays consideration to the safety of tenant companies and facility users. It also contributes to companies' BCPs by ensuring the safety of the stored cargo and the employees of tenant firms.

Seismic isolation structure

We developed and started using our own unique seismic isolation system, the GLP Pile Cap Seismic Isolation Construction Method (Patent No. 4934769), which functions properly even in major earthquakes. Furthermore, in 2015, we developed a new seismic isolation analysis method known as GLP Simultaneous Analysis Method (Patent No. 5698402) that further reduced costs, and it was implemented at GLP Naruohama.



Snow damage control



We deploy light trucks with blade snowplows to remove snow after snowfall.

Flood damage control



We have installed watertight doors that prevent flooding at key facilities.

24-hour security



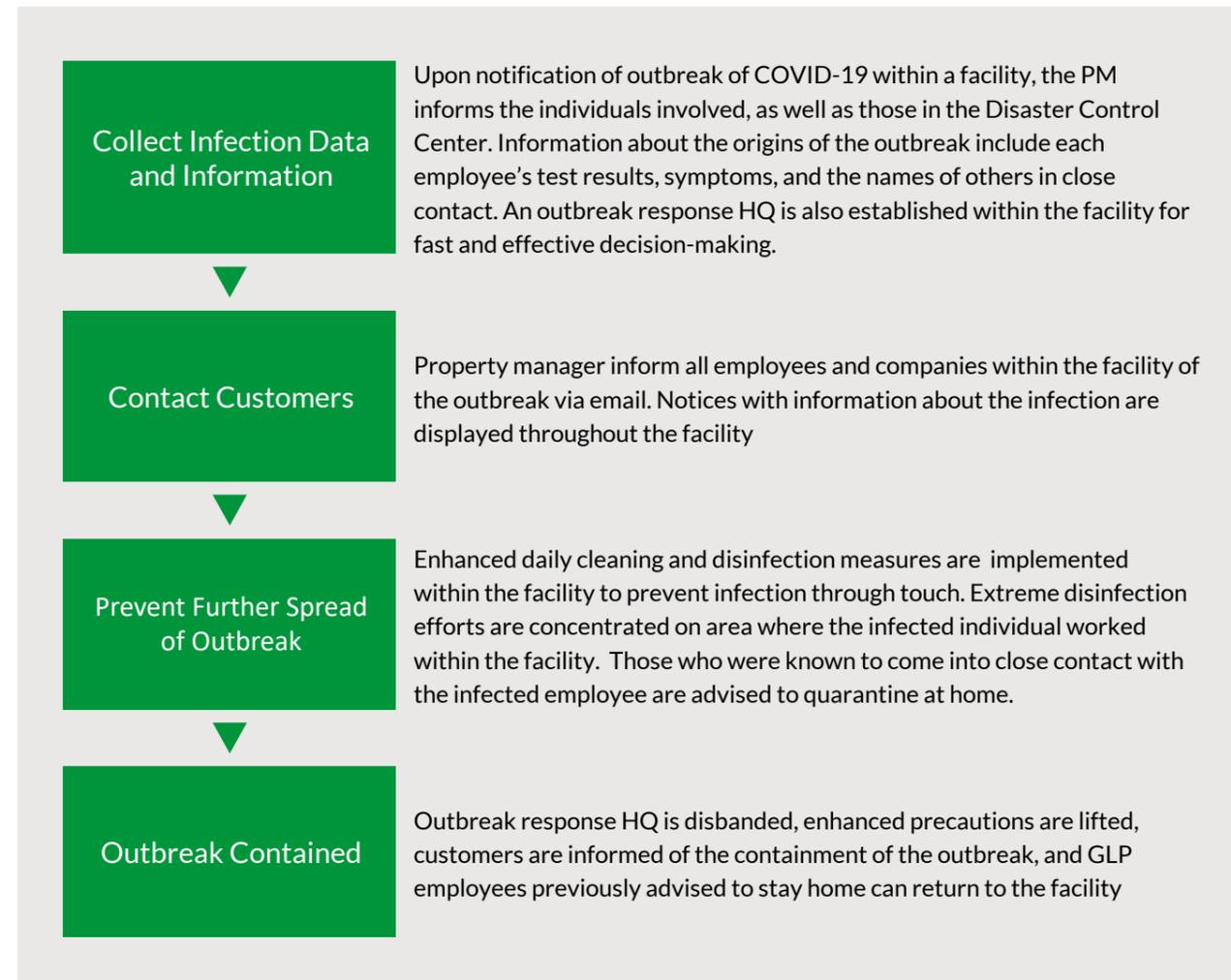
AEDs



Response to COVID-19

For Customers

COVID-19 GLP Facility Guideline



Examples of infection prevention measures



Installation of non-contact type thermometer



Promotion of social distance



Partition installation

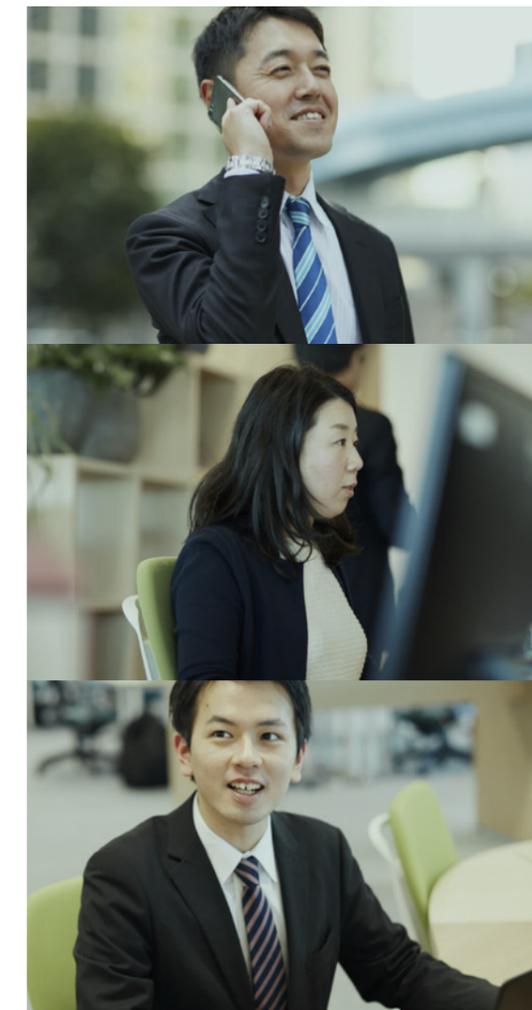
Employee support

Employee support aimed at improving physical and mental health and productivity / efficiency

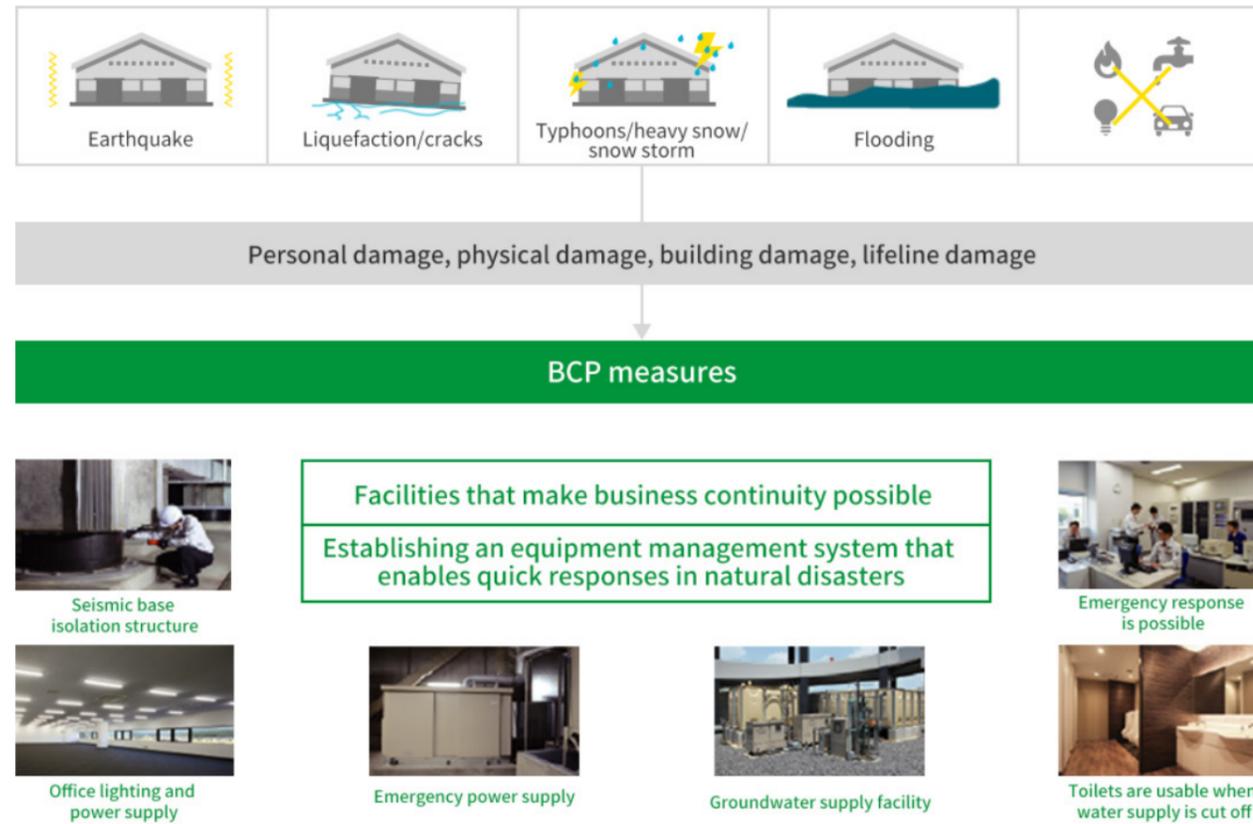
- 1 **Well-being Support**
Supporting diverse work styles and physical and mental health
- 2 **Remote work support**
Supports various expenses such as utility costs and communication costs associated with remote work

Ensuring employee health

- 1 **Ensuring office safety**
Installation of partitions on the desk, layout design to maintain social distance
- 2 **Introduction of pulse check (Monthly)**
Regularly check the physical and mental health due to changes in the working environment and provide appropriate support.
- 3 **Department Manager / Group Leader & Regular Communication of Human Resources**
Extract title changes and problems in various work styles and make improvements
- 4 **Establishment of consultation desk**
Individual employees are confused about how to work · Suck up opinions and make improvements



BCP measures



BCP measures in use

- We have back-up power facilities to ensure security functions throughout all buildings in the event of a power outage by making lighting and electrical outlets available at security systems and some offices
- Groundwater and rainwater supply systems allow use of toilets in the event that water supply is cut off
- Fuel storage bases have been installed at the facilities, and there are plans to provide fuel to tenant companies and neighboring facilities in the event of a disaster
- Digital signage automatically displaying weather warnings and earthquake information has been installed at entrances and cafeterias to ensure access to the latest information in the event of a disaster
- Flood control measures have been implemented to protect power conversion facilities from water damage caused by heavy rains or floods.
- Seismic isolation structures are used to ensure the safety of the building even in a major earthquake
- A4-sized disaster prevention emergency kits have been stockpiled
- Disaster-relief vending machines have been installed

Providing tenants with comfort

The GLP Group aims to provide buildings and services that offer comfort to tenant companies and facility users. It conducts a customer satisfaction survey of tenant companies each year to improve its buildings and services on a continuous basis based on the feedback obtained from the survey. We have also established GLP Concierge, a one-stop consultation desk that cooperates with tenants and business partners to provide a wide range of consultation services for tenants' problems and requests. By helping to solve our customers' issues, we also contribute to solving Japan's logistics issues, all the while strengthening relationships with our tenants who are key stakeholders.

Cafeteria



Kitchen



Resting space



Rental conference room



Large ceiling fan



Universal design toilets



Convenience store



Kiosk



Nursery



Staffing office



Commuter bus



Shower room



Conducting customer satisfaction surveys

We conduct customer satisfaction surveys to obtain requests and opinions from customers. We entrust an independent research agency with annual satisfaction surveys of our customers housed in multi-tenant logistics facilities. In fiscal 2019, we received a high rating of 97% in our survey titled "Intent to Continue Using GLP Japan." Furthermore, the PM team of GLP Japan Inc., the sponsor of GLP J-REIT, conducts satisfaction surveys of customers housed in BTS logistics facilities as well.



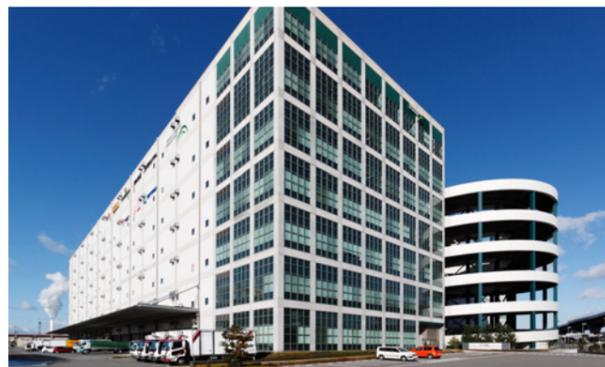
Conducting tenant communication meetings

In an effort to better manage and operate our facilities and build relationships with our customers, GLP Group's Property Management Department conducts tenant communication meetings with GLP J-REIT's facility customers once every quarter.

GLP Tokyo II



GLP Osaka



Solving tenant issues (GLP Concierge)

GLP Group has established GLP Concierge, a one-stop consultation desk that cooperates with tenants and business partners to provide a wide range of consultation services for tenants' problems and requests. By helping to solve our customers' issues, we contribute to solving Japan's logistics issues, all the while strengthening relationships with our tenants who are key stakeholders.

The Strength of GLP's Network
 Number of Companies using facilities : **3,000** companies per day
 Number of companies with which GLP is in contract : **15,000** companies

Providing solutions to customers' issues	
Site optimization	Transportation and delivery support
Employment support	Procuring inexpensive Materials and equipment
Facility management support	Progress in automation

Solving logistics issues with cutting-edge technology

With an aim to solve all logistics issues, GLP Group uses advanced technologies to develop and implement various systems.

Shared consignee system

Streamlining overall cargo operations



- Waiting time is clarified by registering trucks of tenant companies on a tablet in the shared consignee room

Haisha Plus

Streamlining vehicle allocation and collection operations

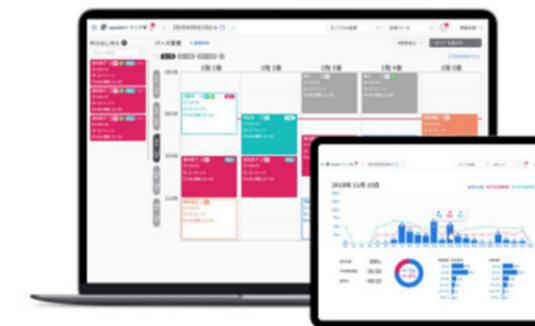


Business partnership with TRANCOM CO.,LTD.

- Significantly reduced the workload of vehicle allocation management
- Visualized and shared the status of vehicle allocation to streamline transportation
- Responding to waves in logistics quantities through quick matching

Truck ledger

Streamlining incoming and outgoing trucks

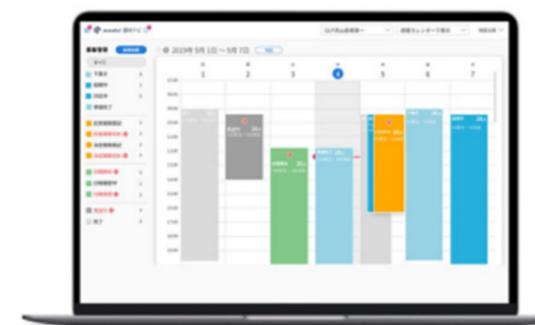


Business partnership with PASCO CORPORATION

- Solved the problem of long waiting times for trucks
- Reduced workload through application management
- Further streamlining by collecting and analyzing data

Appropriate placement of workers

Streamlining procurement management operations of short-term staff



- Possible to request and confirm responses from many dispatch and placement agencies at the same time
- Avoiding congestion during registration by using tablets to take staff attendance
- Reducing management risks by linking attendance with daily reports by digitizing attendance information

Initiatives for employees

Since investment corporations cannot employ employees pursuant to the provisions of the Act on Investment Trusts and Investment Corporations, our assets are managed by the executives and staff of our asset management company, GLP Japan Advisors. GLP Japan Advisors carries out various initiatives for employees under the policy that human resources are important management resources for sophisticated investment management.

Pursuing comfort and health of employees

Support Content	Outline
Health check / human dock assistance	All employees are required to undergo regular medical examinations or human dock examinations once a year, and we are promoting the health of employees by providing cost subsidies.
Mental health care training	Harassment / mental health related webinars (twice) for department heads
Occupational physician interview system	Prevent health risks with expert support

Promotion of diverse work styles

We have introduced the following employee support with the aim of creating diverse work styles that allow each employee to devise ways to maximize productivity and efficiency, including the institutionalization of remote work.

Support Content	Outline
Well-being support	Supporting diverse work styles and physical and mental health
Remote work support	Supports various expenses such as utility costs and communication costs associated with remote work

Improving sophistication of human resources

Introduction of Training System

Based on the independent training program developed by each employee, we have introduced a system to support growth opportunities through seminars, lectures, and courses that will contribute to their careers in the medium to long run (100,000 yen per person per year)

Training overview

Name of training	Target level
Management and leadership training	Managers

Support for certification exams

The asset management company supports its employees in acquiring specialist certifications including as an Association for Real Estate Securitization (ARES) Certified Master (an educational program that systematically teaches practical expert know-how in the fields of real estate and finance) and as a real estate notary. The asset management company bears the costs for the training and exams in acquiring the various certificates as well as for maintaining the certificates and increasing and maintaining expertise through seminars, etc., and all employees and officers have access to funding.

The number of ARES Certified Masters and real estate notaries as of the end of December 2019 is as follows.

Name of certification	Number of certifications
ARES Certified Master	7 people
Real estate notary	6 people

Creating a fair and rewarding workplace

Various benefits programs

Item	
Prenatal and postnatal leave	Reemployment of elderly
Child care leave	Employee stock ownership plan
Sick/injured child care leave	Defined contribution pension plan
Family care leave	Company housing system
Cafeteria plan	Health support (EAP) program
Congratulatory or condolence money	Group long-term disability (GLTD) income compensation
Health screening and physical exam assistance	Health insurance association
Welfare pension	Employment insurance
Labor insurance	Special leave
Domestic and international business travel insurance	Comprehensive welfare group term insurance
Corporate rental car agreement	Institutionalization of remote work Other allowances (remote work support allowances, well-being support allowances)

Fair evaluation and compensation

GLP's personnel evaluation system is a reward-and-evaluate system which strongly encourages each employee to contribute to achieving the mission and vision of the company. The personnel evaluation system is also designed with cross-departmental collaboration, one of GLP's business characteristics, in mind, and through the administration of the system, all departments, including the revenue and administration departments, are expected to work together to achieve corporate growth. In addition, the system encourages employees to take on new challenges and evaluates them appropriately. This personnel evaluation system has motivated each and every employee to create an organization that takes on challenges and innovates for the rapid growth of the company.

Conducting employee satisfaction surveys

As part of our efforts to establish favorable mutual relations between the employees and the company, we regularly conduct employee satisfaction surveys through Wevox to evaluate job satisfaction levels, work environment satisfaction levels, and other requests to the company (92% response rate). By visualizing organizational issues based on these survey results, we are able to realize the well-being of each of our employees and improve the working environment and the organization.

Human rights training (FY 2020)

Human rights themes addressed	Target participants	Participants
Harassment prevention and mental health	Management positions	15 people

Governance



Since its listing, GLP J-REIT, together with GLP Japan Advisors, has pursued the maximization of unitholder interest by continuously enhancing governance systems to establish a strong relationship that aligns the interests of unitholders, GLP J-REIT and GLP Japan Advisors.

Adoption of performance-linked asset management fee to meet unitholder interest

The asset management fee is a performance-linked fee where approximately two-thirds of asset management remuneration is linked to NOI and EPU. The bonus paid to the management of the asset management company is incentive remuneration linked to EPU (Earnings per Unit) and the relative performance of the investment unit price (to the Tokyo Stock Exchange REIT Index).

Introduction of a strict governance structure for related-party transactions

GLP J-REIT is not allowed to carry out related-party transactions without the approval of independent outside expert(s) of the asset management company's Investment Committee and Compliance Committee. The selection of such outside expert(s) requires the approval of the J-REIT board.

The GLP Group's holding of investment units (same boat investment)

GLP J-REIT seeks to improve mutual interest by aligning the interests of GLP J-REIT's unitholders and the interests of the GLP Group by having the GLP Group hold investment units.

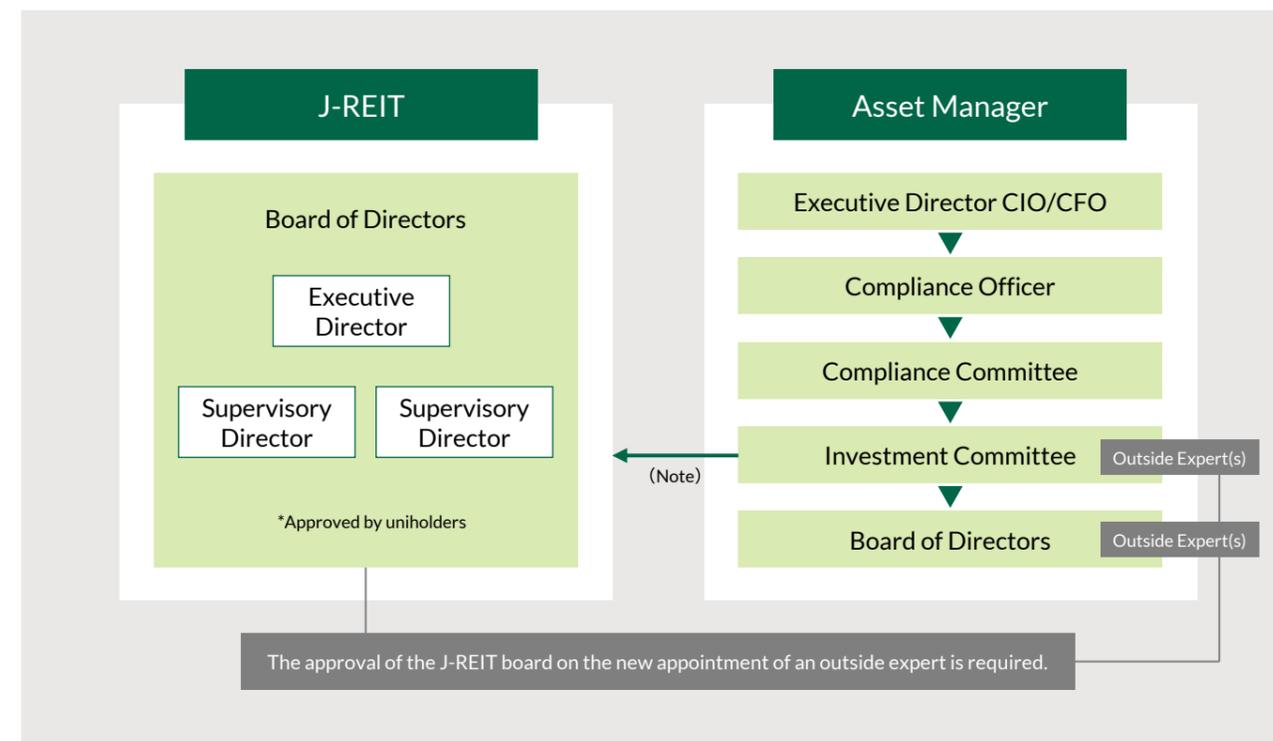
Highly transparent and appropriate information disclosure in pursuit of fair disclosure

GLP J-REIT was the first J-REIT to implement information disclosure to a wide range of unitholders by holding a management call meeting for overseas investors in capital increase through public offering. GLP J-REIT was the first J-REIT to introduce a telephone conference system for the purpose of information disclosure to a wide range of unitholders at the financial presentation meetings. GLP J-REIT discloses Japanese and English press releases and disclosure material simultaneously.

Further enhancing governance through an Employee Stock Ownership Plan (ESOP)

Established ESOP targeting officers and employees of GLP Japan Inc. and the asset management company of GLP J-REIT in May 2020, with a policy to further enhance the alignment of interests with our unitholders.

Asset Management Company's Executive Decision-Making Mechanism



- Approval of the J-REIT board is necessary for transactions that require the consent of a J-REIT based on the resolution of the J-REIT board, and reporting to the board is necessary for other cases. [Click here for more information on decision-making mechanisms: \(Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties\)](#)

Outline of the Various Committees

Committee	Item	Details
Investment Committee	Purpose	To deliberate and decide upon matters concerning the management, etc. of the assets of GLP J-REIT
	Constituent members	President, Directors, CIO, CFO, Compliance Officer, one External Officer
	Frequency of meetings	In principle, once every three months, with emergency meetings called as the need arises
Compliance Committee	Purpose	To ensure thorough compliance with laws and ordinances, rules and regulations, and other related matters
	Constituent members	President, Compliance Officer, one External Officer
	Frequency of meetings	In principle, once every three months, with emergency meetings called as the need arises
ESG Committee	Purpose	To deliberate and decide upon matters concerning the promotion of ESG, etc.
	Constituent members	President, CSO, CIO, CFO
	Frequency of meetings	Meetings held regularly, with emergency meetings called as the need arises

Thinking Regarding Compliance

GLP J-REIT (hereinafter referred to as the “Investment Corporation”) and GLP Japan Advisors Inc. (hereinafter referred to as the “Asset Management Company”) are fully cognizant of the significance of the fact that the asset management the Asset Management Company conducts for the assets of the Investment Corporation constitutes the management of the funds of the Investment Corporation’s investors, and the Asset Management Company has prepared internal compliance rules and other necessary rules and has established a Compliance Committee and a position of Compliance Officer as described below to ensure full compliance with applicable laws and regulations in order to ensure the development of an appropriate management structure.

Compliance Structure

(structure for ensuring compliance with laws and regulations)

Compliance Committee

In order to establish an appropriate management structure for the Asset Management Company to conduct the asset management of the Investment Corporation, the Asset Management Company has established a Compliance Committee charged with the revision (excluding the correction of errata) of compliance rules; the formulation and revision of a Compliance Manual and Compliance Program (excluding the correction of errata); deciding on corrective measures regarding conduct which is, or is suspected to be, inappropriate from a compliance standpoint; and the review on whether there are issues of compliance with respect to matters concerning transactions with related parties and other matters regarding that the Compliance Officer judges there to be questions in terms of compliance. The Compliance Committee is composed of the Compliance Officer as chairperson, the President, and at least one outside professional designated by the Board of Directors (hereinafter referred to as the “Outside Expert(s) on the Compliance Committee”). When designating the Outside Expert(s) on the Compliance Committee, the approval of the board of directors of the Investment Corporation will be required (but will not be required for reappointment). As of the date of this report, an outside attorney is the one Outside Expert on the Compliance Committee. Furthermore, the General Administration Department has been established under the order by the CFO (Executive Officer) and a member of the General Administration Department will attend

meetings of the Compliance Committee under the role of secretariat to the Compliance Committee to assist the Compliance Officer. In principle, the Compliance Committee meets once every three months as convened by the chairperson, and as otherwise necessary. Decisions of the Compliance Committee require that a majority of all of the members with voting rights and all Outside Expert(s) on the Compliance Committee be present and a majority of those members and all Outside Expert(s) on the Compliance Committee vote their approval. When the Compliance Committee reviews as one of the matters it must decide on whether there are issues of compliance with respect to matters concerning transactions between related parties and the Investment Corporation, a committee member with voting rights who is a related party or a committee member with voting rights who currently holds the position of an officer or employee (including as a concurrent position, but excluding cases when such person has been seconded or transferred to the Asset Management Company) of a related party, which is a corporation, may not participate in the decision. Decisions of the Compliance Committee will be reported regularly to the Board of Directors by the Compliance Officer. When the Compliance Committee reviews and approves matters which the Investment Corporation must decide, the substance of the review (including any minority opinion presented during the course of the review) will be reported to the Investment Committee by the Compliance Officer.

Compliance Officer

The Asset Management Company, fully cognizant of the significance of the fact that the asset management it conducts with the assets of the Investment Corporation constitutes the management of the funds of the Investment Corporation’s investors, in order to ensure the development of an appropriate management structure, has established the position of Compliance Officer as the key person responsible for compliance, thereby ensuring the effectiveness of the function of internal oversight of other units. The selection or the dismissal of the Compliance Officer requires the approval of two-thirds or more of the directors in attendance at meeting of the board of directors that is attended by a majority of all the directors with voting rights. The Compliance Officer, as the key person responsible for compliance at the Asset Management Company, is charged with establishing and maintaining the internal compliance structure of the company and raising the level of standards awareness within the company in regard to compliance with all applicable laws, regulations and rules. To those ends, the Compliance Officer prepares a Compliance Manual and Compliance Program through the Compliance Committee, continually monitors to ensure that all operations conducted for the asset management of the Investment Corporation by the Asset Management Company comply with all applicable laws, regulations, rules and the articles of incorporation of the Investment Corporation, and exercises supervision over the overall internal compliance environment in daily operations.

The General Administration Department, established under the overall direction and control of the CFO (Executive Officer) and being charged with overall general administrative operations, will assist the work of the Compliance Officer. In view of the importance of the duties of the Compliance Officer, the Compliance Officer at the Asset Management Company devotes him/herself exclusively and on a full-time basis to addressing compliance matters. Only a person having adequate investigative and supervisory capacity for ensuring compliance with all applicable laws, regulations and rules may be appointed as the Compliance Officer. The Compliance Officer is also in charge of internal auditing of the Asset Management Company (However, the internal auditing of the Compliance Officer is conducted by the President.) All internal organization and job classifications are subject to internal audit; audit and other procedures to assess whether the operations and management of all internal organizations comply with all applicable laws, regulations and rules and are being conducted appropriately and efficiently will be carried out on a regular basis based on the Compliance Program and the Internal Audit Rules. When internal audits are conducted all departments must submit and explain all documents, account books or other materials as requested by the Compliance Officer and cooperate fully to ensure the smooth implementation of the internal auditing.

Risk Management

Definition of risks



Basic stance on risk management

With regard to the management of our company’s inherent risks, we take the following basic stance in our work, with the goal of reinforcing our dual duties of loyalty and care as an asset management fiduciary.

1. Our company, as an asset management firm, is solely devoted to that business, and the greatest risk we face is the risk of degradation of our reputation due to a decline in the value and confidence placed in us by the investment corporations and their investors (including potential investors in the securities market in general), who trust us with the management of their assets.
2. It is essential that we carefully and rigorously manage all risks, including risks regarding the handling and management of assets, operational risks, and legal and compliance risks, as risks such as these are a major potential cause of such declines in value and confidence.

With regard to the management of operational risks of investment corporation assets, we take the following basic stance in our work, with the goal of reinforcing our investment management capability while striving to protect the assets under our management.

1. The primary investment target being real estate, it should be noted that owning real estate or similar specific assets, as opposed to traditional financial assets, comes with its own set of risks, on top of the general risks associated with asset management, such as so-called “market risks.” It is necessary to execute sufficient analysis and countermeasures when handling these kinds of real estate risks.
2. In the management of these risks, we distinguish those risks that can lead to returns from risks that need to be eliminated or mitigated, and we act in a safe and reliable manner with regard to the latter category of risk.
3. We will not engage in any action that deviates from the basic stance set forth in the preceding paragraph or that neglects strict risk management and the appropriate acquisition of profits.

ESG Finance

Sustainability Finance Overview of the Sustainability Framework

Use of Proceeds from Sustainability Finance

The net proceeds from sustainability finance will be used for the acquisition of assets in the Eligible Green Projects as provided for in Eligible Sustainability Projects below, refinancing of loans required for the acquisition of assets in the Eligible Sustainability Projects, and for the redemption of the investment corporation bonds that have already been issued (including sustainability bonds/green bonds) for the acquisition of assets in the Eligible Sustainability Projects.

Eligible Sustainability Projects

Eligible Sustainability Projects are assets or projects that satisfy either of the Eligible Green Project Criteria and the Eligible Social Project Criteria shown below.

Eligible Green Project Criteria

Green buildings

New, existing or renovated buildings that have obtained at least one of the following certifications;

DBJ Green Building Certification (Japan) : five, four or three stars
CASBEE (Japan) : S, A or B+
BELS (Japan) : five, four, or three
LEED (U.S.) : Platinum, Gold, Silver

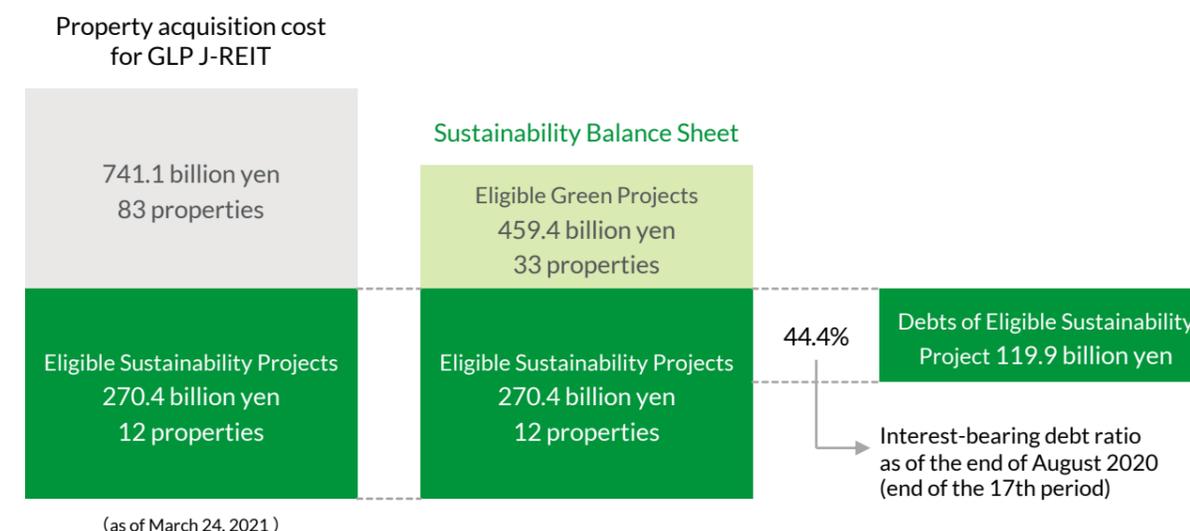
Contribution to the sustainable growth of local communities

New, existing, or refurbished buildings that contribute to either of items a through d shown below:

a. Safety of local residents in times of disaster
b. Development of the local living environment
c. Revitalization of the local community
d. Provision of parenting support

Management of Proceeds

The upper limit of green finance (limit of the "Debts of Eligible Sustainability Projects") shall be the amount calculated by multiplying the total acquisition cost of the Eligible Sustainability Projects by the ratio of actual interest-bearing debt to total assets as of the end of the latest fiscal period that can be calculated on the payment date or loan date of each investment corporation bond, or as of the end of every February.



※ Eligible Sustainability Projects that also fall under the definition of Eligible Green Projects under GLP J-REIT's Green Finance Framework are included both in the total value of Eligible Sustainability Projects and in that of Eligible Green Projects. Any amount of funding provided for those projects in the form of sustainability finance or green finance is included both in the outstanding balance of sustainability finance and in that of green finance. The amount included in the total value and the outstanding balance overlaps between the two forms of finance.

Reporting on Social Benefits

	Item	Number
Output indicators	Number of properties that are Eligible Green Projects	12
	Emergency shelter for people affected by disaster	13 properties 8,557 people
Outcome indicators	Standby station for Disaster Relief Teams and Emergency Fire Response Teams in the event of a disaster	13 properties
	Backup power supply (72 hours)	8 properties
	Stockpile volume of fuel (72 hours)	8 properties
	Groundwater facility*	GLP Atsugi II GGLP Soja I

※ Some properties have groundwater facilities available for use during a water outage.

Green Finance Overview of the Sustainability Framework

Use of Proceeds from Green Finance

The net proceeds from green finance will be used for the acquisition of assets in the Eligible Green Projects as provided for in Eligible Green Projects below, refinancing of loans required for the acquisition of assets in the Eligible Green Projects, and for the redemption of the investment corporation bonds that have already been issued (including green bonds) for the acquisition of assets in the Eligible Green Projects.

Eligible Green Projects

Eligible Green Projects mean the projects involving assets that meet either of the following requirements.

a. Being a green building

A new, existing or refurbished building for which at least one of the following certifications has been obtained:

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

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

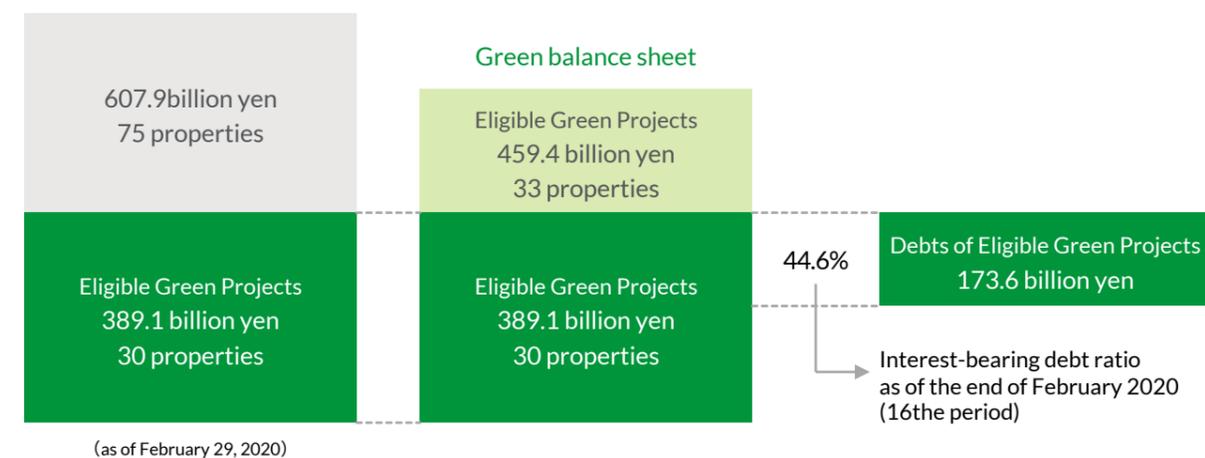
BELS (in Japan) : five, four, or three

LEED (in the United States) : Platinum, Gold, Silver

Management of Proceeds

The upper limit of green finance (limit of the "Debts of Eligible Green Projects") shall be the amount calculated by multiplying the total acquisition cost of the Eligible Green Projects by the ratio of actual interest-bearing debt to total assets as of the end of the latest fiscal period that can be calculated on the payment date or loan date of each investment corporation bond, or as of the end of every February.

GLP J-REIT acquisition price



※ Eligible Sustainability Projects that also fall under the definition of Eligible Green Projects under GLP J-REIT's Green Finance Framework are included both in the total value of Eligible Sustainability Projects and in that of Eligible Green Projects. Any amount of funding provided for those projects in the form of sustainability finance or green finance is included both in the outstanding balance of sustainability finance and in that of green finance. The amount included in the total value and the outstanding balance overlaps between the two forms of finance.

Investment corporation bonds

Name	Total Amount (mm yen)	Interest Rate	Term	Issuance Date	Maturity Date
12th Unsecured Bonds (Green Bonds)	5,100	0.680%	10	2018/12/20	2028/12/20
13th Unsecured Bonds (Green Bonds)	8,000	0.608%	10	2019/7/8	2029/7/6
14th Unsecured Bonds (Green Bonds)	5,000	0.550%	10	2019/11/27	2029/11/27
15th Unsecured Bonds (Sustainability Bonds)	5,000	0.510%	10	2020/9/25	2030/9/25
16th Unsecured Bonds (Sustainability Bonds)	3,500	0.750%	15	2020/12/23	2035/12/21
17th Unsecured Bonds (Sustainability Bonds)	5,000	0.970%	20	2021/3/23	2041/3/22