



We support the Sustainable Development Goals

June 15, 2022
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 fourth SLL between the two organizations.

SLL are loan instruments that aim to facilitate and support environmentally and socially sustainable economic activity and growth. In this loan scheme, the borrower sets sustainability performance targets ("SPTs") based on its business management strategy, and the lender incentivizes the borrower's achievement of those objectives by aligning loan terms to the borrower's performance against the relevant predetermined SPTs.

JRE believes that it is the social responsibility expected of a listed investment corporation to endeavor for enhanced sustainability of society, including environmental awareness, social contributions and reinforced governance, and that such is essential for maximizing unitholder value. In addition, in March this year, JRE has determined the more ambitious targets¹ for CO₂ emissions reduction (80% reduction by FY2030, Net zero by FY2050) than those announced in 2020. JRE is further promoting initiatives such as proactively introducing renewable electricity, renovating facilities to reduce environmental burdens, acquiring green building certifications, and contributing to community development.

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 philosophy of JRE's long-term vision for sustainable management, the Bank aims to support JRE's efforts to reduce CO₂ emissions and other climate change-related issues through this loan.

The SLL Agreement sets SPTs of CO₂ emissions (FY2030 target: 80% reduction compared to FY2019, on absolute basis) and the number of ZEB-certified properties² (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 SPTs set for the SLL are meaningful and ambitious.

¹ For further information on the targets, please refer to the following link.

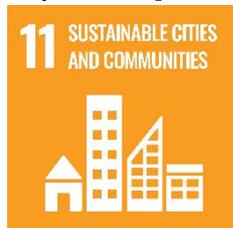
<https://www.j-re.co.jp/file/en-news-92eae2d1fc70a38f014d5d5308f7ce5791b62cdb.pdf>

² Includes Nearly ZEB, ZEB Ready, ZEB Oriented under BELS (Building-Housing Energy-efficiency Labeling System) assessment.

[Summary of the Loan]

- Date of execution: June 17, 2022
- Loan term: 10 years
- Loan amount: 3 billion JPY
- Use of proceeds: Refunding funds

[Main SDGs contributed by the SLL]



[Reference Link]

JRE's ESG website:

<https://jre-esg.com/en/>

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

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

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