Sustainability Report 2025

Daiwa Office Investment Corporation　Daiwa Securities Living Investment Corporation　Daiwa Securities Logistics Private Investment Corporation

Daiwa Real Estate Asset Management Co.Ltd. (Asset Management Company)

Sustainability Report 2025

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[Disclaimer]
This report contains forward-looking statements. These statements are based on judgments made in accordance with information available at the time of preparation of each material, and do not guarantee of future performance.

【Editorial Policy】
This report is published to consolidate the sustainability-related information disclosed by Daiwa Office Investment Corporation, Daiwa Living Investment Corporation, Daiwa Securities Logistics Private Investment Corporation and Daiwa Real Estate Asset Management Co. Ltd. The purpose of this report is to provide stakeholders with a deeper understanding of the company's approach and initiatives with respect to ESG issues.
The following icons are displayed in the upper right corner of each page according to the content of each organization's report.

- DOI Daiwa Office Investment Corporation (DOI)
- DLI Daiwa Securities Living Investment Corporation (DLI)
- DLP Daiwa Securities Logistics Private Investment Corporation (DLP)
- DR Daiwa Real Estate Asset Management Co. Ltd. (DR)

Top Message

Building strong relationships of trust with customers, markets and society at large.

Daiwa Real Estate Asset Management remains a pioneer constantly opening up frontiers in managing real estate and real assets.

Daiwa Real Estate Asset Management Co., Ltd. (hereinafter referred to as the "Asset Manager") established the "Sustainability Promotion Committee" in June 2021 to discuss important policies, measures, and approaches concerning sustainability, based on the recognition that focusing on ESG in asset management, such as environmental considerations, social contributions, and strengthening organizational governance, will contribute to improving corporate value of the investment corporation in the medium to long term. In June 2021, the Asset Manager established the "Sustainability Promotion Office" as a specialized department to promote the planning, formulation, and implementation of ESG and SDGs across the entire company in order to address various ESG-related issues. In March 2023, the Asset Manager expanded the sustainability elements of the "Policy on ESG" and formulated a new "Sustainability Policy" to systematically promote sustainability initiatives while taking into account the diversifying needs of stakeholders.
Daiwa Office Investment Corporation ("DOI"), Daiwa Living Investment Corporation ("DLI") and Daiwa Securities Logistics Private Investment Corporation ("DLP") continuously participate in the GRESB Real Estate Assessment and have obtained multiple environmental certifications and assessments from external organizations, while working to reduce environmental impact through energy conservation, reduction of greenhouse gas emissions, and effective use of limited resources such as water conservation. DOI and DLI are working to reduce environmental impact through energy conservation, reduction of greenhouse gas emissions, and effective use of limited resources such as water conservation. In addition, DOI and DLI aim to realize a sustainable society by building good relationships, partnerships, and collaboration with all stakeholders (unitholders, tenants, local communities, employees, etc.) related to the properties DOI, DLI and DLP own.

Daiwa Office Investment Corporation
Executive Director
Toshisuke Tanaka

Daiwa Securities Living Investment Corporation
Executive Director
Tetsuo Akuzawa

Daiwa Securities Logistics
Private Investment Corporation
Executive Director
Yukiko Takeuchi

Daiwa Real Estate Asset Management Co. Ltd.
President and Representative Director
Yoshiki Nishigaki

Overview of the Investment Corporations DOI DLI DLP

Daiwa Office Investment Corporation

Securities Code 8976

Daiwa Office Investment Corporation is a REIT (Real Estate Investment Trust) specializing in office properties in the five central wards of Tokyo. The sponsor is Daiwa Securities Group Inc. and Daiwa Office Investment Corporation manages its properties by maximizing the management resources of the Daiwa Securities Group ("the Group"), establishing a strict governance system, and conducting highly transparent management with an emphasis on compliance.
With regard to the basic investment policy, the Investment Corporation will conduct investment management based on the characteristics of office buildings, carefully selecting regions, sizes, etc. We aim to maintain and improve distributions over the medium to long term through flexible management that responds to changes in real estate market conditions, securing stable cruising EPU (Earnings Per Unit)* in the future and sustainable growth of investment assets, and through the replacement of properties to realize stable management and improve quality through urban locations.

[Type of assets under management]

Focused on office buildings/ Listed REIT
Start of operation：2009

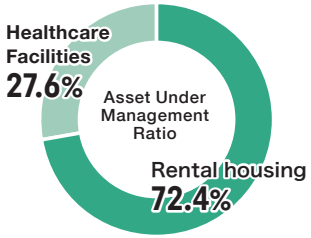
Number of properties:
59
Assets under management:
470.6 billion yen

Daiwa Securities Living Investment Corporation

Securities Code 8986

In April 2020, Japan Rental Housing Investment Corporation (formerly JRH) was merged into Japan Healthcare Investment Corporation (formerly NHI), and the company changed its trade name to Daiwa Securities Living Investment Corporation. With the addition of health care facilities to its portfolio, Daiwa Living has been managing rental housing and health care facilities with the aim of becoming a REIT that comprehensively provides comfortable living spaces based on the concept of "supporting the lives and livelihoods of all people" in accordance with their life stages. We aim to maximize profits for our unitholders by leveraging in the support of our sponsor, Daiwa Securities Group Inc. and other Daiwa Securities Group companies.

[Type of assets under management]



Focused on residences/ Listed REIT
Start of operation：2014

Number of properties:
246
Assets under management:
399.3 billion yen

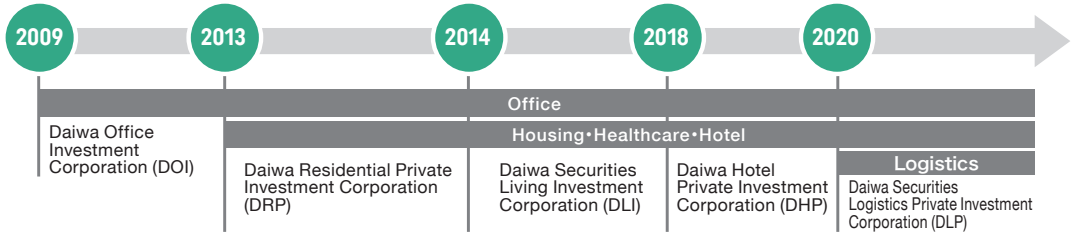
Daiwa Securities Logistics Private Investment Corporation

Daiwa Securities Logistics Private Investment Corporation is a private REIT launched in March 2020 that specializes in logistics facilities, which offer both stable rental income and strong market growth potential. It seeks to build a portfolio with carefully selected properties in prime locations while ensuring tenant diversification.

Overview of the Asset Management Company DR

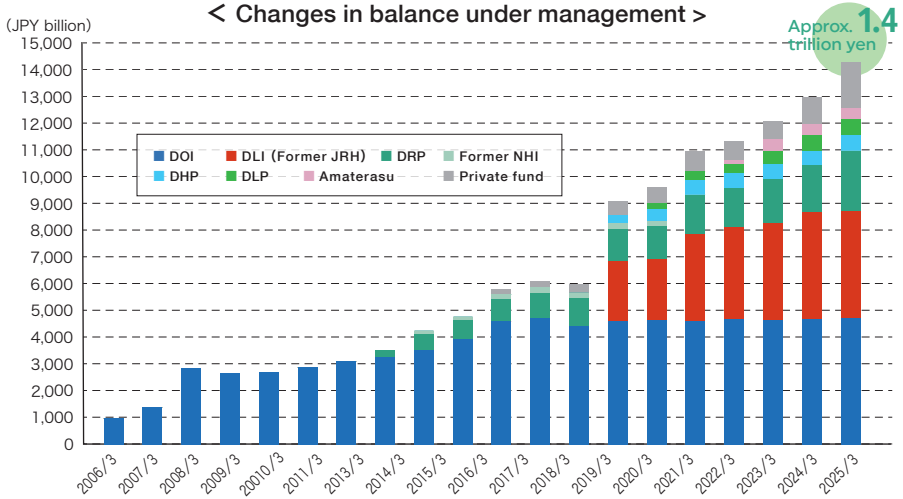
Daiwa Real Estate Asset Management Co.Ltd.

Daiwa Real Estate Asset Management Co., Ltd. is an asset management company established in October 2004 as K.K. daVinci Select. Subsequently, the Company became a wholly owned subsidiary of Daiwa Securities Group Inc. in 2009.In 2005, we began managing Daiwa Office Investment Corporation, a listed REIT specializing in office properties, and since then, we have expanded the scope of management to listed REITs and private REITs targeting residential, healthcare, hotel, and logistics facilities, as well as private funds such as solar private core funds, and as of March 31, 2025, the balance under management has grown to a scale exceeding approximately 1.4 trillion yen.
As a real estate asset management company in charge of the Group's real estate asset management business, the Asset Manager will strive to revitalize the real estate and financial markets and foster sound markets. In addition, the Asset Manager will build an ongoing relationship of trust with our clients by providing quality products that can be invested in and managed with confidence over the long term.



＊ Cruising EPU (Earnings Per Unit) ：Net income per unit excluding extraordinary and non-recurring items

< Changes in balance under management >



※The private funds AUM does not include certain cases, such as those of a structure where the Company is entrusted with asset management operations but the assets are managed and operated by a company other than the Company and the authority over asset disposition does not lie with the Company.

DRP：Daiwa Securities Residential Private Investment Corporation (A private REIT specializing in residential assets)
DHP：Daiwa Securities Hotel Private Investment Corporation (A private REIT specializing in hotel assets)
Amaterasu：DSREF Core Amaterasu Investment Business Limited Liability Partnership
(A private core fund focused on solar power generation)

DR

Sustainability Policy/Sustainability Promotion System

The Group has set forth “Vision 2030” management vision, aiming to achieve the SDGs, under the core concept of "Creating a prosperous future through financial and capital markets.
The “Asset Manager”, as a member of the Group, will incorporate ESG considerations into its asset management operations for alternative assets such as real estate. It has formulated the Sustainability Policy and will promote the following initiatives to enhance the medium- to long-term value of the investment corporations and funds for which it is entrusted with asset management.
Based on the Sustainability Policy set forth by the Asset Manager, the Investment Corporation will take actions for sustainability in order to achieve a sustainable society.

Sustainability Policy

Initiatives for Environmental Management and Reduction of Environmental Impact

1. Promoting Resource and Energy Conservation
We will continue to promote the reduction of greenhouse gas emissions in order to mitigate climate change and achieve our goal of a decarbonized society with net-zero emissions. In addition, we will strive to strengthen the resilience of managed properties against natural disasters.

2. Contributing to a Recycling-Oriented Society
We will work to reduce, reuse and recycle water, waste and other elements.

3. Considering Biodiversity and Working to Conserve Ecosystems
We will strive to manage our business in a way that is mindful of environmental protection, manage tree planting that is considerate of harmony with the surrounding environment, and practice green procurement to reduce the environmental impact of society as a whole, including our entire supply chain.

Initiatives for Social Issues

4. Respecting Human Rights
We will further strengthen our human rights education and awareness efforts to further enhance our corporate culture, which is based on respect for human rights.

5. Cultivating Human Resources and Creating Rewarding Workplaces
We focus on human resource development, which is the source of our competitiveness, and are enhancing our training programs. In particular, we will strengthen support for professional talent, including assistance programs for acquiring qualifications.

6. Diversity, Equity and Inclusion
Through a high level of work-life balance facilitating success for diverse human resources, we will pursue harmony between our employees’ professional and private lives, and aim to enhance workplace environments so that both men and women can enjoy diverse work styles, while taking into consideration the health and comfort of executives and employees.

7. Coexistence and Collaboration throughout the Supply Chain
By building partnerships with our suppliers and business partners, we aim to deepen their understanding of our initiatives for the environment and society, and to target the creation of a sustainable society throughout our supply chain.

Initiatives for Governance

8. Establishing a Highly Transparent and Objective Corporate Governance Structure
We will maintain strict compliance with laws, regulations and internal rules, as well as ensure rigorous appropriate management of conflicts of interest, and enhance our compliance system to increase the value of the investment corporations and funds.

9. Fair, Timely, and Appropriate Disclosure of Material Information
We are committed to disclosing information in a fair, timely and appropriate manner to promote understanding of our company among all stakeholders, including investors, business partners and society at large, and to earn an appropriate assessment and level of trust from these.
We will also utilize external evaluations in the interest of transparency and comparability.

Policy/Sustainability Promotion System

Based on its "Sustainability Policy," the Asset Manager has formulated the "Regulations for Sustainability Promotion System" and established the "Sustainability Promotion Committee" for the purpose of continuous and systematic implementation of ESG-related initiatives. The Sustainability Promotion Office, established in June 2021, systematically promotes planning, formulation, and implementation of ESG and SDGs, and the Committee deliberates on the final target KPIs※ and specific initiatives, etc., and implements each measure.

※ Key Performance Indicator

Sustainability Promotion Committee

- President and Representative Director
  (Chief Executive Officer for Sustainability Promotion)
- Executive Managing Director
- General Managers of the DOI Investment Management Dept., DLI Investment Management Dept., DRP Investment Management Dept., DHP Investment Management Dept., DLP Investment Management Dept., and Private Fund Management Dept. (Chief Sustainability Officers)
- Head of Sustainable Promotion Office
- Compliance Officer
- Others who are appointed by the Chief Executive Officer

Contents of Deliberation / Reports, Frequency, and Consideration Process

The Sustainability Promotion Committee is held regularly in order to realize the policy and targets for sustainability. The committee deliberates matters such as management policies on sustainability, target setting, and their revision and abolition, and reports on the progress of the targets, etc.

Establishment of Sustainability Promotion Policy

To enhance the effectiveness of our sustainability activities, we have established (1) Energy Conservation Policy, (2) Greenhouse Gas Emissions Reduction Policy, (3) Water Saving Policy, and (4) Sustainable Procurement Policy, Climate Change and Resilience Policy, EMS Operation Manual, and a cooperative framework with each of our stakeholders.

Sustainability Education and Awareness Activities

Sustainability education and awareness-raising activities are conducted for all officers and employees of the Asset Management Company (including temporary employees). Sustainability training is conducted by external lecturers approximately once a year for all officers and employees of the Asset Management Company (including temporary employees).

Year	Training theme	Training attendance rate
FY2021	TCFD -climate change response and disclosure	100%
FY2022	Overview of ESG and trends in ESG in the real estate investment industry Trends in DEI (Diversity, Equity & Inclusion)	100%
FY2023	Sustainability Policy and implementation of ESG-related initiatives in the Asset Manager	100%
FY2024	Sustainability measures required of companies today ～GHG reduction, TNFD, supply chain management, compliance with SSBJ standards～	100%

Reference

Daiwa Securities Group Management Vision "Vision 2030"

*The core concept of our new Vision 2030 is creating a prosperous future through financial and capital markets.

*In an era where people are enjoying 100 years of life, we will provide high-quality solutions as professionals in the financial and capital markets, while at the same time contributing to a carbon-free society and promoting innovation inside and outside the Group in order to realize a prosperous future for all.

Environmental Initiatives

Climate Change Initiatives

DOI DLI DLP DR

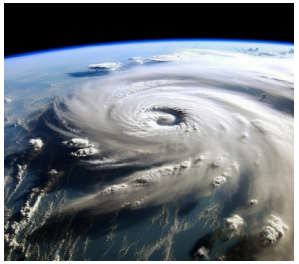
Our Approach to Climate Change

The world has been accelerating the transition to a carbon-neutral society. This trend is found in the global long-term goal set in the Paris Agreement, an international framework since 2020 to address global warming.The goal in the agreement is to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels, and Japan has declared its intention to achieve carbon neutrality by 2050.
The Investment Corporation and the Asset Manager view climate change as an important issue that changes the natural environment and social structures dramatically and has a significant impact on real estate management. Contribution to the achievement of a carbon-neutral society is considered as a social mission.
In accordance with the TCFD recommendations, we will identify and analyze risks and opportunities related to climate change and proceed with step-by-step disclosure of information related to climate change. We will continuously work to reduce the environmental impact of business activities as we understand social needs and expectations for us through active dialogue with external stakeholders.

Support for TCFD Recommendations

The Task Force on Climate-related Financial Disclosures (TCFD) is an international initiative established by the Financial Stability Board (FSB), at the request of the G20. The purpose of the TCFD is to discuss disclosure of climate-related financial information and the responses by financial institutions.
To clarify the policy and system for addressing climate-related issues and expand the disclosure of information about relevant initiatives, the Asset Manager established the Climate Change and Resilience Policy and announced its support for the TCFD recommendations in December 2021. In January 2022, we joined the “TCFD Consortium,” an organization of domestic supporting companies. The following disclosures on “Governance,” “Strategy,” “Risk Management,” and “Metrics and Targets” are provided with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and IFRS S1/S2 published in June 2023 by the International Sustainability Standards Board (ISSB) under the IFRS Foundation.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES | TCFD Consortium



1. Governance

The Asset Manager has established the Climate Change and Resilience Policy, the policy for responding to risks and opportunities related to climate change and working to make business and strategy resilient to climate-related issues. In accordance with the policy, Chief Climate-Related Issues Officers (general managers of departments engaged in sustainability promotion) make regular reports to the Chief Executive Officer for Climate-Related Issues (President and Representative Director) at Sustainability Promotion Committee meetings. The reports cover matters related to responses to climate change, including identification and evaluation of impacts of climate change, management of risks and opportunities, progress of initiatives for adaptation and mitigation, and indicator and target setting. The Sustainability Promotion Committee deliberates and discusses issues related to climate change, after which the Executive Director for Climate-Related Issues makes final decisions.
Under this system, climate-related issues are supervised by the Executive Director.

[Target of Analysis and Prerequisites]

Target	All properties owned by the investment corporation
Scope	Overall realestate investment and management business
Target period	DOI DLI : From 2022 to 2050, with short-term, medium-term, and long-term timeframes (Short term : 2022–2025, Medium term : 2026–2030, Long term : 2031–2050) DLP : From 2024 to 2050, with medium-term, and long-term timeframes (Medium term : 2024–2030, Long term : 2031–2050)

2. Strategy

To factor climate-related risks and opportunities into the Investment Corporation's real estate management business, the Asset Manager conducted a scenario analysis of the Investment Corporation's portfolio. The Asset Manager referred to climate outlooks published by international organizations and other entities, in order to identify risks and opportunities of climate change brought to the Investment Corporation and assess financial impacts on the Investment Corporation's business. Using a 1.5°C/2°C scenario and a 4°C scenario, a qualitative analysis was conducted as described below.

[Main Scenarios adopted]

	1.5/2°C scenario	4°C scenario
Transition Risks	IEA World Energy Outlook 2024 NZE	IEA World Energy Outlook 2024 STEPS
Physical Risks	EA World Energy Outlook 2020 STEPS	IPCC Fifth Assessment Report RCP8.5

Analysis Procedure

1 In accordance with the TCFD framework, the Asset Manager discussed climate-related risks and opportunities and identified factors that may have a significant impact on the Investment Corporation's business domain.

2 Concerning the risks and opportunities identified in ①, the Asset Manager summarized and grasped what the world would look like under the 1.5°C/2°C and 4°C scenarios, based on the parameters (forecasts) of the adopted scenarios.

3 Based on the forecasts in ②, the Asset Manager conducted a qualitative analysis for the Investment Corporation, calculated financial impacts in the scenario analysis, and worked out countermeasures.

Expected Future in Each Scenario

[4°C Scenario]

The 4°C scenario forecasts a future where greenhouse gas emissions are on an increasing trend due to insufficient climate change mitigation, without new regulations, taxation, or other measures to achieve a carbon-neutral society. The scenario involves high relative physical risks from climate disasters and low transition risks.

Government	Tenants	Investors	Financial Institutions	Climate/Weather
Stricter legal regulations related to resilience	Increased needs for measures against storm and flood damage, heatstroke, etc.	Higher importance of physical risk assessment in making investment decisions	Increased needs for physical risk assessment in making lending decisions	Intensifying storm and flood damage and increased natural disasters due to rising temperatures, etc.

[1.5°C/2°C Scenario]

The 1.5°C/2°C scenario forecasts a future where greenhouse gas emissions are on a decreasing trend, with the advancement of social policy, emission regulations, technology investment, and other measures to achieve a carbon-neutral society. The scenario involves low relative physical risks from climate disasters and high transition risks.

Government	Tenants	Investors	Financial Institutions	Climate/Weather
Stricter regulations against GHG emissions due to the introduction of a carbon tax	Increased needs for environmental performance	Increased needs for the assessment of compliance with environmental regulations and environmental certifications in making investment decisions	Increased needs for the assessment of compliance with environmental regulations and environmental certifications in making lending decisions	A certain degree of advancement of chronic climate change, such as increased storm and flood damage

3. Risk Management

The Investment Corporation's Climate Change and Resilience Policy sets out processes to identify, assess, and manage the impacts of climate change risks and opportunities on the corporation's management activities, strategies, financial plans, etc.

- Chief Climate-Related Issues Officers summarize climate-related risks and opportunities and report the progress to the Sustainability Promotion Committee, in principle, once a year.
- The Sustainability Promotion Committee continuously identifies, assesses, and manages climate change risks and opportunities that are important to the business and financial plans and affect the asset management operations of the Investment Corporation. Based on the above reports, the committee prioritizes issues of strategic importance to the business.
- The Chief Executive Officer for Climate-Related Issues instructs to factor important climate-related risks with high priority, which have been deliberated by the Sustainability Promotion Committee, into the existing company-wide risk management program. The risk identification, assessment, and management processes are thus integrated.

<Financial Impacts in the Scenario Analysis> For each scenario, the Asset Manager classified the financial impacts of identified risks and opportunities into short-term, medium-term and long-term impacts and examined relative scales of impacts on the Investment Corporation. Shown below are medium-term and long-term risks from climate change that have a certain degree of financial impact.

Transition risks	**Policy and legal risks, technology risk, market risk, and reputation risk**
Acute physical risks	**Event-driven climate risks, including typhoons and floods**
Chronic physical risks	**Climate risks caused by long-term shifts in climate patterns, including sustained higher temperatures and sea level rise**

Financial Impacts in the Scenario Analysis DOI

Classification		Risk and opportunity factors in real estate management	Potential financial impacts	Category	Financial impacts				Countermeasures
					4°C		1.5°C / 2°C		
					Mid-term	Long-term	Mid-term	Long-term	
Transition risks and opportunities	Policy and legal	Stricter regulations against GHG emissions due to the introduction of a carbon tax	- Increased tax burden due to the introduction of the carbon tax, depending on the volume of GHG emissions from properties	RISK	Small	Small	Medium	Large	- Introduction of energy management systems and renewable energy - Planned reduction of energy consumption/GHG emissions at portfolio properties - Improvement in GHG emissions through strategic replacement/ renovation of properties - Increase in environmental certification acquisition rates
		Stricter energy-saving standards, obligation to report emissions	- Increased renovation costs due to raised energy-saving standards - Increased business expenses related to emissions reporting Risk	RISK	Small	Small	Large	Large	
		Enhanced competitiveness of properties that comply with legal regulations	- Increased rent income from portfolio properties with high environmental performance - Decreased utility bills thanks to improved energy efficiency	Opportunity	Small	Small	Medium	Medium	
	Technology	Advancement and spread of energysaving and renewable energy technologies	- Increased renovation costs due to the introduction of new technologies	RISK	Small	Small	Large	Large	- Introduction of cutting-edge technologies - Planned renovation works - Promotion of transition to power derived from renewable energy
			- Decreased utility bills thanks to better energy-saving performance	Opportunity	Small	Small	Medium	Medium	
	Market	Fluctuations in properties' asset value depending on environmental performance	- Fluctuations in portfolio properties' asset value depending on environmental certification acquisition rates - Fluctuations in rent income depending on the proportion of portfolio properties with high environmental performance	RISK	Small	Small	Large	Large	- Increase in environmental certification acquisition rates - Promotion of transition to power derived from renewable energy - Sufficient information disclosure about the portfolio - Decreased utility bills thanks to better energy-saving properties' environmental performance
				Opportunity	Small	Small	Medium	Medium	
		Changes in the stances of investors/ lenders/tenants on investment and lending	- Fluctuations in reputation from ESG-conscious investors and lenders - Fluctuations in ESG-conscious tenants' demand for moving in and out - Better/Worse terms and conditions in financing from financial institutions, etc.	RISK	Small	Small	Large	Large	- Appropriate disclosure of ESG-related information, including that on climate change - Higher ratings in ESG assessments by external institutions - Reduction of financing costs through the use of sustainability finance
				Opportunity	Small	Small	Medium	Medium	
	Reputation	Decline in reputation from investors and customers	- Decreased investment unit prices/Lower ESG ratings - Decreased profitability of properties with low environmental performance/resilience	RISK	Small	Small	Medium	Large	- Appropriate disclosure of ESG-related information, including that on climate change - Stronger stakeholder engagement in the ESG area - Continuous improvement of environmental performance / Continuous acquisition of environmental certifications
Physical risks	Acute	Increased loss due to intensifying storm and flood damage	- Increased repair costs and insurance premiums - Decreased rent income due to lower occupancy rates - Loss of business opportunities/Increased business continuity risks - Increased renovation costs to protect portfolio properties from water intrusion, damage, destruction, etc.	RISK	Small	Medium	Small	Small	- Risk comprehension using hazard maps, etc. - Portfolio of highly resilient properties - Upgrading of facilities to install high-efficiency air conditioning systems, introduction of energy management systems - Implement energy-saving initiatives in cooperation with tenants, including green leases - Enhancement of BCP measures - Promotion of greening at portfolio properties
	Chronic	Increased damage from the rise in average temperature/sea level		RISK	Small	Small	Small	Small	

Financial Impacts in the Scenario Analysis DLI

Classification		Risk and opportunity factors in real estate management	Potential financial impacts	Category	Financial impacts				Countermeasures
					4°C		1.5°C / 2°C		
					Mid-term	Long-term	Mid-term	Long-term	
Transition risks and opportunities	Policy and legal	Stricter regulations against GHG emissions due to the introduction of a carbon tax	- Increased tax burden due to the introduction of the carbon tax, depending on the volume of GHG emissions from properties	RISK	Small	Small	Medium	Medium	- Introduction of energy management systems and renewable energy - Planned reduction of energy consumption/GHG emissions at portfolio properties - Improvement in GHG emissions through strategic replacement/ renovation of properties - Increase in environmental certification acquisition rates
		Stricter energy-saving standards, obligation to report emissions	- Increased renovation costs due to raised energy-saving standards - Increased business expenses related to emissions reporting	RISK	Small	Small	Medium	Medium	
		Enhanced competitiveness of properties that comply with legal regulations	- Increased rent income from portfolio properties with high environmental performance - Decreased utility bills thanks to improved energy efficiency	Opportunity	Small	Small	Small	Medium	
	Technology	Advancement and spread of energy-saving and renewable energy technologies	- Increased renovation costs due to the introduction of new technologies	RISK	Small	Small	Medium	Medium	- Introduction of cutting-edge technologies - Planned renovation works - Promotion of transition to power derived from renewable energy
			- Decreased utility bills thanks to better energy-saving performance	Opportunity	Small	Small	Medium	Medium	
	Market	Fluctuations in properties' asset value depending on environmental performance	- Fluctuations in portfolio properties' asset value depending on environmental certification acquisition rates - Fluctuations in rent income depending on the proportion of portfolio properties with high environmental performance	RISK	Small	Small	Medium	Medium	- Increase in environmental certification acquisition rates - Promotion of transition to power derived from renewable energy - Sufficient information disclosure about portfolio properties' environmental performance
			- Decreased utility bills thanks to better energy-saving performance	Opportunity	Small	Small	Small	Medium	
		Changes in the stances of investors/ lenders/tenants on investment and lending	- Fluctuations in reputation from ESG-conscious investors and lenders - Fluctuations in ESG-conscious tenants' demand for moving in and out - Better/Worse terms and conditions in financing from financial institutions, etc.	RISK	Small	Small	Medium	Medium	- Appropriate disclosure of ESG-related information, including that on climate change - Higher ratings in ESG assessments by external institutions - Reduction of financing costs through the use of sustainability finance
				Opportunity	Small	Small	Small	Medium	
	Reputation	Decline in reputation from investors and customers	- Decreased investment unit prices/Lower ESG ratings - Decreased profitability of properties with low environmental performance/resilience	RISK	Small	Small	Medium	Medium	- Appropriate disclosure of ESG-related information, including that on climate change - Stronger stakeholder engagement in the ESG area - Continuous improvement of environmental performance / Continuous acquisition of environmental certifications
Physical risks	Acute	Increased loss due to intensifying storm and flood damage	- Increased repair costs and insurance premiums - Decreased rent income due to lower occupancy rates - Loss of business opportunities/Increased business continuity risks - Increased renovation costs to protect portfolio properties from water intrusion, damage, destruction, etc.	RISK	Medium	Medium	Small	Small	- Risk comprehension using hazard maps, etc. - Portfolio of highly resilient properties - Upgrading of facilities to install high-efficiency air conditioning systems, introduction of energy management systems - Implement energy-saving initiatives in cooperation with tenants, including green leases - Enhancement of BCP measures - Promotion of greening at portfolio properties
	Chronic	Increased damage from the rise in average temperature/sea level		RISK	Small	Small	Small	Small	

Financial Impacts in the Scenario Analysis DLP

Classification		Risk and opportunity factors in real estate management	Potential financial impacts	Category	Financial impacts 4°C Mid -term	Financial impacts 4°C Long-term	Financial impacts 1.5°C / 2°C Mid -term	Financial impacts 1.5°C / 2°C Long-term	Countermeasures
Transition risks and opportunities	Policy and legal	Stricter regulations against GHG emissions due to the introduction of a carbon tax	- Increased tax burden due to the introduction of the carbon tax, depending on the volume of GHG emissions from properties	RISK	Small	Small	Medium	Large	- Introduction of energy management systems and renewable energy - Planned reduction of energy consumption/GHG emissions at portfolio properties - Improvement in GHG emissions through strategic replacement/ renovation of properties - Increase in environmental certification acquisition rates
		Stricter energy-saving standards, obligation to report emissions	- Increased renovation costs due to raised energy-saving standards - Increased business expenses related to emissions reporting	RISK	Small	Small	Large	Large	
		Enhanced competitiveness of properties that comply with legal regulations	- Increased rent income from portfolio properties with high environmental performance - Decreased utility bills thanks to improved energy efficiency	Opportunity	Small	Small	Medium	Medium	
	Technology	Advancement and spread of energy-saving and renewable energy technologies	- Increased renovation costs due to the introduction of new technologies	RISK	Small	Small	Large	Large	- Introduction of cutting-edge technologies - Planned renovation works - Promotion of transition to power derived from renewable energy
			- Decreased utility bills thanks to better energy-saving performance	Opportunity	Small	Small	Medium	Medium	
	Market	Fluctuations in properties' asset value depending on environmental performance	- Fluctuations in portfolio properties' asset value depending on environmental certification acquisition rates - Fluctuations in rent income depending on the proportion of portfolio properties with high environmental performance	RISK	Small	Small	Large	Large	- Increase in environmental certification acquisition rates - Promotion of transition to power derived from renewable energy - Sufficient information disclosure about portfolio properties' environmental performance
			- Decreased utility bills thanks to better energy-saving performance	Opportunity	Small	Small	Medium	Medium	
		Changes in the stances of investors/ lenders/tenants on investment and lending	- Fluctuations in reputation from ESG-conscious investors and lenders - Fluctuations in ESG-conscious tenants' demand for moving in and out - Better/Worse terms and conditions in financing from financial institutions, etc.	RISK	Small	Small	Large	Large	- Appropriate disclosure of ESG-related information, including that on climate change - Higher ratings in ESG assessments by external institutions - Reduction of financing costs through the use of sustainability finance
				Opportunity	Small	Small	Medium	Medium	
	Reputation	Decline in reputation from investors and customers	- Decreased profitability of properties with low environmental performance/resilience	RISK	Small	Small	Medium	Large	- Stronger stakeholder engagement in the ESG area - Continuous improvement of environmental performance / Continuous acquisition of environmental certifications
		Increase in demand for disaster-resilient properties	- Growth in rental income due to tenants' preference for properties with strong disaster preparedness	Opportunity	Small	Small	Medium	Medium	
Physical Risks	Acute	Increased loss due to intensifying storm and flood damage	- Increased repair costs and insurance premiums - Decreased rent income due to lower occupancy rates - Loss of business opportunities/Increased business continuity risks - Increased renovation costs to protect portfolio properties from water intrusion, damage, destruction, etc.	RISK	Small	Medium	Small	Small	- Risk comprehension using hazard maps, etc. - Portfolio of highly resilient properties - Upgrading of facilities to install high-efficiency air conditioning systems, introduction of energy management systems - Implement energy-saving initiatives in cooperation with tenants, including green leases - Enhancement of BCP measures - Promotion of greening at portfolio properties
	Chronic	Increased damage from the rise in average temperature/sea level		RISK	Small	Small	Small	Small	

4. Indicators and Targets

Each Investment Corporation sees the transition to a carbon-neutral society as an opportunity. The following target KPIs(Key Performance Indicators)have been established as key monitoring indicators in the process of managing climate change risks and opportunities.

KPI	DOI	DLI	DLP
Reduction of CO_2 Emissions	**Mid-term target (FY2030)** : Reduction of 46% in CO_2 emissions on an intensity basis across the portfolio by FY2030 (compared with FY2013)	**Mid-term target (FY2030)** : Reduction of 20% in CO_2 emissions on an intensity basis across the portfolio by FY2030 (compared with FY2022)	**Mid-term target (FY2030) :** Reduction of 10% in CO_2 emissions on an intensity basis across the portfolio by FY2030 (compared with FY2023)
	Long-term target (FY2050) : Achieved carbon neutrality in CO_2 emissions on an intensity basis across the portfolio by FY2050	**Long-term target (FY2050)** : Achieved carbon neutrality in CO_2 emissions on an intensity basis across the portfolio by FY2050	**Long-term target (FY2050) :** Achieved carbon neutrality in CO_2 emissions on an intensity basis across the portfolio by FY2050
Percentage of Environmental Certifications Ecquired	**Mid-term target (FY2030)** : Achieve an environmental certification ratio of at least 70% for the entire portfolio	**Mid-term target (FY2030)** : Achieve an environmental certification ratio of at least 30% for the entire portfolio	–

Environmental Targets and Performance

DOI DLI DLP

Environmental Performance Results

※ DOI sets the base year as FY2019, DLI sets the base year as FY2022, and DLP sets the base year as FY2023. For aggregation of each environmental performance data, please refer to each Investment Corporation's website for details on the methodology.

DOI

Item	Unit	Actual reduction					
		FY2019 [base year]	FY2021	FY2022	FY2023	FY2024	Rate of change
Energy	Consumption (MWh)	104,219	87,245	83,902	87,008	80,156	-23.09%
	Consumption intensity (MWh/m²)	0.207	0.178	0.173	0.180	0.161	-22.05%
CO_2	Emission (t-CO_2)	44,771	37,063	34,589	29,281	31,575	-29.47%
	Emission intensity (t-CO_2/m²)	0.089	0.076	0.071	0.060	0.064	-27.87%
Water	Consumption (m³)	396,297	284,367	296,251	318,833	340,199	-14.16%
	Consumption intensity (MWh/m²)	0.787	0.580	0.610	0.658	0.685	-12.78%
Waste	Consumption (t)	4,388	3,373	3,478	3,455	4,146	—
	Amount of recycled waste (t)	2,502	1,862	1,865	1,642	2,458	—
	Recycling rate (%)	57.02	55.21	53.63	47.53	59.28	—

DLP

Item	Unit	Actual reduction		
		FY2023 [base year]	FY2024	Rate of change
Energy	Consumption (MWh)	9,179	9,428	2.72%
	Consumption intensity (MWh/m²)	0.050	0.048	-3.04%
CO_2	Emission (t-CO_2)	4,020	5,189	29.06%
	Emission intensity (t-CO_2/m²)	0.022	0.027	21.83%
Water	Consumption (m³)	20,630	21,485	4.15%
	Consumption intensity (MWh/m²)	0.112	0.110	-1.69%
Waste	Consumption (t)	—	370	—
	Amount of recycled waste (t)	—	—	—
	Recycling rate (%)	—	—	—

DLI

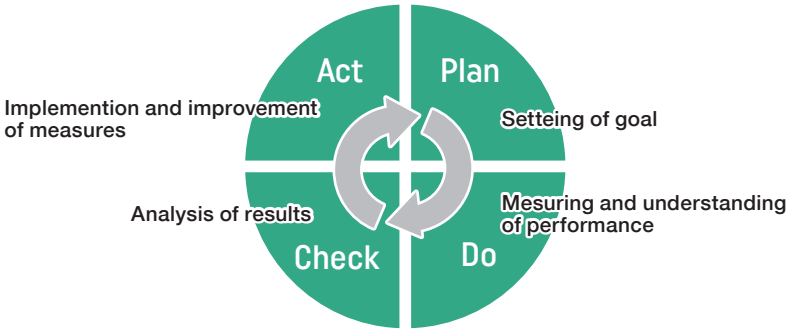
Item	Unit	Actual reduction							
		Rental Housing				Healthcare			
		FY2022 [base year]	FY2023	FY2024	Rate of Change	FY2022 [base year]	FY2023	FY2024	Rate of change
Energy	Consumption (MWh)	8,687	8,420	8,666	-0.24%	48,780	50,836	48,196	-1.20%
	Consumption intensity (MWh/m²)	0.172	0.155	0.160	-6.88%	0.232	0.237	0.218	-6.03%
CO_2	Emission (t-CO_2)	3,611	3,547	3,670	1.63%	17,372	17,078	18,642	7.31%
	Emission intensity (t-CO_2/m²)	0.045	0.044	0.043	-5.28%	0.081	0.076	0.082	1.34%
Waste	Consumption (m³)	194,337	165,663	170,658	-12.19%	487,258	497,571	513,815	5.45%
	Consumption intensity (MWh/m²)	1.572	1.380	1.28	-18.92%	2.261	2.267	2.27	0.54%

Reduction Target

Item		Short-term target			Middle· Long-term target		
		DOI	DLI (Rental housing / Healthcare)	DLP	DOI	DLI (Rental housing / Healthcare)	DLP
Energy	consumption intensity	Average 1% reduction per year	Maintenance of the status quo	–	Reduce by 5% over the 5-year base year	8% reduction by FY2030 (compared to FY 2022)	–
CO_2	consumption intensity	–	–	–	46% reduction by FY2030 (compared to FY2013)	20% reduction by FY2030 (compared to FY2022)	10% reduction by FY2030 (compared to FY2023)
					Achieve carbon neutrality by FY2050	Achieve carbon neutrality by FY2050	Achieve carbon neutrality by FY2050
Water	consumption intensity	Average 1% reduction per year	Maintenance of the status quo	–	Maintenance of the status quo	Maintenance of the status quo	Maintenance of the status quo by FY2030

Construction of Environmental Management System

In order to pursue energy-saving, CO_2 emissions reduction, and efficient use of water resources, each Investment Corporation has established an environmental management system. Focusing on energy consumption, CO_2 emissions, and water usage, it sets targets, tracks performance, manages budgets, and executes countermeasures (PDCA cycle), contributing to the realization of a sustainable society through the reduction of its environmental footprint.



Third-party Review (verification) of the Environmental Performance Data

SOMPO Risk Management, a third-party organization, conducted third-party evaluation (verification) of DOI/DLI environmental performance data (energy consumption, GHG emissions (Scope 1 and 2), water consumption, and waste output) since FY2021 for the entire portfolio. To ensure the reliability of the reported figures.

Certification and Registration for Eco Action 21

DOI and DLI were certified and registered for EcoAction21, an environmental management system formulated by the Ministry of the Environment.

エコアクション21

【Certified and Registered Date】 DOI March 29, 2024 DLI March 12, 2025

"Eco Action 21".....Eco-Action 21 is an Environmental Management System formulated by the Ministry of the Environment that specifies the methods by which organizations can voluntarily and actively implement environmental initiatives. Eco-Action 21 Certification/Registration Program is the certification and registration system by a third party, the Eco-Action 21 Central Secretariat Office, for organizations promoting environmental management based on "Eco-Action 21 Guidelines"* and disclosing the progress in the form of an environmental management report.

*Eco-Action 21 Guidelines states 14 requirements which constitute a PDCA cycle and participants are required to proactively continue to implement environmental initiatives by utilizing the PDCA cycle.

Implementing Eco-Friendly Initiatives via Real Estate Investment

DOI DLI

Upgrading of air-conditioning equipment
(Daiwa Ginza)

Introduction and renovation of LED lighting
(TK Flats Shibuya)

Construction work for toilets
(Daiwa Sasazuka)

Upgrading to Water-Efficient Equipment
(Joy Oyamadai)

Installation of rooftop garden
(Daiwa Azabu Terrace)

Replacement of plantings with native species
(Charm Premier Kamakurayama)

Installation of Solar-Wind Streetlights
(Daiwa River Gate)

Installation of solar panels
(Gran Casa Kyoto Eki-mae)

Installation of solar panels
(Gran Casa Saitama Shin-toshin)

Introduction and Upgrading of LED Lighting / Introduction of High-Efficiency Heat Source Equipment

Each Investment corporation is progressively installing LED lighting (LED lighting and lighting equipment with human sensors) in the private and common areas of the properties it owns. In addition, installing high-efficiency heat source equipment with excellent energy efficiency and refurbishing air-conditioning equipment with high energy-saving performance at the time of renewal of heat source equipment, air-conditioning equipment, etc.

Introduction and Upgrading of Water-Efficient Equipment

Each Investment corporation is improving water conservation through measures such as upgrading to sanitary equipment with excellent water-saving performance and using rainwater and reclaimed water for general service water in buildings.

Promoting Greening of Walls and Rooftops / Conserving Biodiversity

Each Investment corporation implements rooftop greening and wall greening in the properties it owns.
At the DOI's "Daiwa Azabu Terrace", rooftop gardens with different concepts are set up on the roofs and rooftop floors of the 3rd to 6th floors, and consideration is given to the conservation of biodiversity, such as by implementing a planting plan that takes into account the ecosystem network by adopting many plants that grow indigenous to the area. In addition, at "Charm Premier Kamakurayama", owned by DLI, plantings are being replaced with native species with the aim of conserving biodiversity.

Use of Natural Energy

DOI has installed solar-powered street lights on the site of Daiwa River Gate, taking advantage of its location alongside the Sumida River, where the wind blows strongly and sufficient sunlight can be secured.
DLI has installed solar power generation systems on the rooftops of certain residential properties and healthcare facilities, including "Gran Casa Saitama Shintoshin," which was acquired on March 27, 2025 and others. Through the use of renewable energy, DLI is working to cover the electricity consumption of these properties.

Use of IoT Technology

DOI has introduced "Whiz," a sterilized cleaning robot, to its properties for cleaning work, and is working to reduce the manpower shortage of cleaning staff and to reduce power consumption by improving work efficiency. DLI has introduced "IoT devices" in some of its rental apartments as part of its leasing strategy to enable tenants to live comfortably and reduce wasteful power consumption by remotely/voice-controlling lighting, furniture, etc. via smartphones.

Use of Digital Signage

Each Investment corporation has installed digital signage in common areas to educate tenants and residents about energy reduction at the properties they own, and is using the information to raise awareness about energy consumption reduction, emergency evacuation sites, etc.

Use of Digital Signage
(E·SPACE TOWER)

Use of Digital Signage
(Prospect Glarsa Hiro-o)

Promote Installation of Delivery Boxes in Rental Housing DLI

DLI has installed delivery boxes and introduced a left-behind delivery service in some of the rental housing units it owns. DLI aims to maintain and increase the installation ratio, as this will not only improve convenience for residents, but also help solve problems such as reducing the re-delivery rate by delivery companies and reducing CO_2 emissions. As of the end of March 2025, the installation ratio was approx. 92.8% (excluding 13 properties such as single-building rental properties and condominium-owned properties.

Installation of delivery boxes
(Gran Casa Saitama Shin-toshin)

Installation of delivery boxes
(Gran Casa Higashi-nakano)

Collaboration with Stakeholders / Urban Development Initiatives

DOI DLI

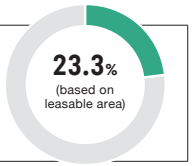
Supply Chain Management

Each Investment corporation has formulated a “Sustainable Procurement Policy” to promote environmental and social initiatives in the supply chain. In addition to facility operation and management, lease operation and management, and leasing, we also take into consideration the status of sustainability initiatives and other factors. We are working to resolve environmental preservation and social issues through cooperation with various partners.

Promoting Green Leasing

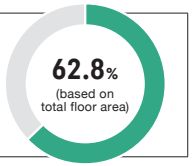
DOI

As of the end of March 2025, DOI has concluded green lease contracts for 23.3% of its entire portfolio (based on leasable area). Shinjuku MAYNDS Tower is working with tenants to promote the installation of LED lighting fixtures and energy reduction in Shinjuku MAYNDS Tower.



DLI

As of the end of March, 2025, DLI had green lease agreements in 62.8% of its entire portfolio (based on total floor area). In its rental housing, DLI has added sustainability clauses to lease agreements for new contracts since FY2017, and is working with tenants to reduce electricity, gas, and water consumption and promote recycling.



Conclusion of Green Lease DLI

In FY2024, we have entered into green lease agreements with two new healthcare facility operators and worked together to operate the facilities with sustainability in mind, reducing the environmental impact through energy conservation in real estate and maintaining and improving the comfort of residents.

Implementation of Sustainability Training DLI

Sustainability training was provided to all 17 healthcare facility operators in FY2024.

Investment in mixed/multi-use Property

Each Investment corporation owns mixed-use properties (DOI : Shinjuku MAYNDS Tower, E·SPACE Tower, etc.; DLI : AIP Kachidoki Ekimae Building, etc.). They include commercial facilities such as convenience stores and restaurants, and medical facilities such as clinics and nursing homes. Through investment in mixed-use properties, they contribute to improving living convenience for office workers and neighborhood residents and revitalizing local communities.

Environmental Risk Assessment at the Time of Property Acquisition

In acquiring real estate, each Investment corporation obtains real estate appraisal reports and engineering reports, in addition to on-site inspections and disclosed materials from the seller, and conducts surveys related to hazardous substance content in the building, soil contamination status, etc.

Conduct Tenant Satisfaction Surveys

Each Investment corporation conducts a tenant satisfaction survey for tenants of owned properties (DOI : for all properties owned, DLI : for operators of healthcare facilities only) on a regular basis (in principle, at least once every three years).
By sharing the results of this survey (requests and issues reported by tenants) with the property management company, etc. and utilizing them to improve the operation and management of the property, we aim to improve tenant satisfaction.

Renovated common area (Daiwa Nishi-Shimbashi Building)

Installation of small containers in women's toilets (E·SPACE TOWER)

Implementation of air conditioner replacement (Good Time Living Amagasaki Eki-mae)

Investment in Urban Redevelopment/ Development Projects DOI

DOI has been engaged in the urban development business of acquiring development sites and developing office buildings, with "Nihonbashi Bakurocho 1-chome Development Project" (completed in November 2022) and "Kandasudacho 2-chome Development Project" (completed in June 2024) as examples. Both of these projects are contributing to the strengthening of disaster prevention functions in the area by replacing multiple aging buildings with a single building.

The Nihonbashi Bakurocho 1-chome Development Project (Daiwa Nihonbashi Bakurocho Building)

Kandasudacho2-chome Development Project (Daiwa Akihabara Building)

Nihonbashi Bakurocho 1-chome Development Project is contributing to the revitalization of the area by creating a mixed-use building with not only office space but also retail space on the lower floor. In the Kandasudacho 2-chome Development Project, we are working on urban development and urban redevelopment while taking the environment into consideration, such as by creating open green spaces.

ZEB Oriented Certification

In accordance with the Investment Corporation's ESG policy, Daiwa Akihabara (Kandasudacho 2-chome Development Project) was studied from the design stage and adopted a design with excellent energysaving performance, with primary energy consumption less than 60% of that of conventional buildings, which reduces the burden on tenants' utility costs, and as a result, the building obtained the Investment Corporation's first "ZEB Oriented” certification.

Inside of Daiwa Akihabara Building

ZEB(Net Zero Energy Building).....ZEB (Net Zero Energy Building) is a building that aims to reduce energy consumption in the building to zero while achieving a comfortable indoor environment. The BELS rating system is based on four levels : ZEB, Nearly ZEB, ZEB Ready, and ZEB Oriented.

Social Initiatives

Initiatives for Tenants and Local Communities

DOI DLI DR

Initiatives for Local Communities

Each Investment corporation makes the following efforts to contribute to the improvement of convenience in social life and the reduction of environmental burdens for tenant employees, residents, and local residents.

DOI

DOI holds the "Shinjuku Minamilumi" event in the office buildings it owns in the Shinjuku South Exit area, where tenant employees and local residents enjoy the illumination event. DOI has also introduced the umbrella sharing service "i-KASA" to improve the satisfaction of office workers and local users and to help solve the problem of disposable umbrellas. DOI also strives to contribute to the sustainable development of local communities by participating in local events organized by urban development councils and private organizations in order to revitalize the areas surrounding its properties.

Holding of "Shinjuku Minamilumi" (Shinjuku MAYNDS Tower)

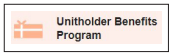
Installation of "i-kasa" (E·SPACE TOWER)

Tanabata Event (Japanese Star Festival) (Daiwa River Gate)

DLI

In some of our properties, we are improving convenience for tenant employees, facility users, and local residents by installing electric kickboards and introducing car-sharing services. In addition, DLI has introduced a Unitholder Benefit Program as an opportunity for unitholders to experience the high-quality management capabilities and services provided by operators of healthcare facilities.

Installation of electric kickboards (AIP Kachidoki Eki-mae Building)



Introduction of the unitholder special benefit plan

Installation of car sharing (Gran Casa Monzennakacho)

Charity Activities

The Asset Manager displays artwork by people with disabilities in its meeting rooms and hallways to support their participation in society through art activities and donates surplus calendars and notebooks. Through the installation of donation-type vending machines in the properties it owns, DOI supports activities to donate a portion of the proceeds to NPOs and other organizations that provide pediatric medical support and child abuse prevention activities.

Installation of donation-type vending machines (Daiwa Tsukishima)

Outsider Art Exhibit (Reception desk of the Asset Management Company)

Disaster Prevention Initiatives

Each Investment corporation formulates BCP ((Business Continuity Plan) measures for the properties it owns to ensure the safety of tenants, employees, and facility users in the event of an emergency disaster, and to ensure the continuation of important business operations. In cooperation with property management companies and building management companies, we distribute disaster and crime prevention handbooks to tenants when they move in, post evacuation routes on digital signage in common areas, and conduct regular disaster drills. In addition, for those properties where we are able to install such equipment, we have installed AEDs, disaster relief vending machines, and emergency supply storage boxes in the EVs.

Installation of the disaster prevention stockpile

Installation of EV emergency supply storage boxes

Conduct disaster drills (Shinjuku MAYNDS Tower)

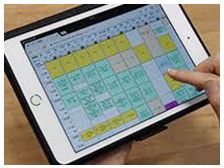
Initiatives for Investors

Each Investment corporation strives to actively disclose information and fulfill its accountability to all stakeholders through IR activities and other means. To promote understanding of each investment corporation's operating conditions, the company conducts one-on-one meetings with institutional investors both in Japan and overseas, and hosts seminars for retail investors.

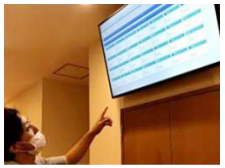
	Year held	No. of domestic investors	No. of foreign investors	No. of seminars held
DOI	FY2023	107	47	1
	FY2024	113	66	2
DLI	FY2023	131	39	1
	FY2024	104	35	2

Initiatives for an Aging Society / Introduction of Nursing Care DX DLI

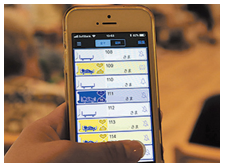
DLI is currently the largest healthcare facility investment by a J-REIT, and aims to solve the social issue of the aging society that Japan is facing. At healthcare facilities owned by DLI, operators have introduced Nursing Care DX to improve the comfort of residents, increase work efficiency and reduce the workload of nursing care staff.



Good Time Living "Care-wing Facility version"



HITOWA Care Service "LIFELENS"



AS PARTNERS "EGAO link"

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Initiatives for Human Rights and Promotion of DEI

Formulation of Daiwa Securities Group Human Rights Policy

The Group's corporate philosophy states that "the Group will strive to maintain a high sense of morality and duty, endeavoring to continue contributing to the sustainable growth of the societies in which we operate". In October 2022, to further improve a corporate culture rooted in the basic principles of respect for human rights, and to promote efforts for the respect of human rights in accordance with international standards, it has established this Human Rights Policy.

Daiwa Securities Group Human Rights Policy

1. **Respect for International Standards**
   Daiwa Securities Group supports and respects international standards on human rights, such as the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights and the International Covenants), the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises, ISO 26000, and Children's Rights and Business Principles. We also endorse the Ten Principles of the UN Global Compact as a signatory to the UN Global Compact.
2. **Scope of Application**
   This Policy applies to all companies, officers, and employees within Daiwa Securities Group. We also expect all stakeholders, such as customers and suppliers, to respect human rights.
3. **Prohibition of Human Rights Violations**
   Daiwa Securities Group provides an equitable and safe working environment that values people, and is considerate of the human rights of all stakeholders. We do not tolerate discrimination based on race, nationality, birthplace, creed, religion, politics, biological sex, sexual orientation, gender identity, social status, physical characteristics, or disability, or human rights violations such as sexual harassment, power harassment, or other acts of harassment in any aspect of our work. Furthermore, we do not tolerate unfair labor practices, such as child labor and forced labor.
4. **Human Rights Due Diligence**
   Daiwa Securities Group conducts appropriate human rights due diligence and is committed to preventing and mitigating any negative impact its corporate activities may have on human rights.
5. **Remedial Mechanisms**
   Daiwa Securities Group takes corrective and remedial actions through appropriate procedures in the event it becomes clear that its corporate activities have caused or been involved in a negative impact on human rights.
6. **Education and Training**
   Daiwa Securities Group educates and instructs all officers and employees with accurate information on human rights. At the same time, we view human rights issues as our own problem, not somebody else's problem, and foster a sensitivity that enables empathy with the suffering of others.
7. **Information Disclosure**
   Daiwa Securities Group is committed to disclosing information on its human rights initiatives and progress on its website and through other media to ensure that they are understood by all stakeholders.
8. **Stakeholder Engagement**
   Daiwa Securities Group implements this Policy with an emphasis on dialogue with stakeholders.
9. **Governance System**
   Daiwa Securities Group has established a Human Rights Awareness Promotion Committee, chaired by the Human Resources Officer, to promote human rights initiatives. This Policy is determined by the Board of Directors.

Initiatives to Respect Human Rights

The Asset Manager promotes human rights initiatives based on the "Daiwa Securities Group Human Rights Policy". The compliance manual stipulates "respect for human rights and prohibition of discrimination, sexual harassment, etc." and all officers and employees, including temporary employees, are thoroughly informed of this policy through compliance training and other means. In the future, we will further strengthen our human rights education and awareness efforts, and we will actively engage with all stakeholders to promote understanding of this policy and to encourage their respect for human rights.

Promoting Diversity Equity & Inclusion (DE & I)

In its Sustainability Policy formulated in 2023, the Asset Management Company has set "promotion of diversity, equity, and inclusion (DE & I)" as one of the major issues to be addressed. The Asset Manager is working to create a work environment where each and every employee can fully demonstrate his or her abilities and work with vitality, regardless of age, nationality, gender, values, or disabilities.
In addition, we are aiming to create a work environment where individuals can work in a way that is more true to themselves, expanding personnel systems to accommodate partnerships, establishing the "Daiwa ALLY Network", and providing both internal and external consultation services to create an environment where it is easy to seek advice.

Formulation of General Business Owner Action Plans/ Disclosure of Information on Women's Activities

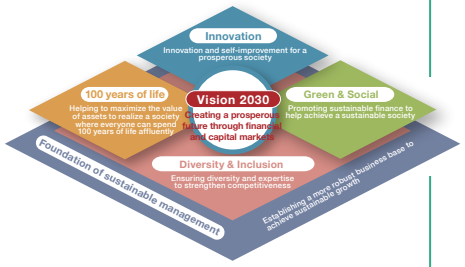
In accordance with the Law for Measures to Support the Development of the Next Generation and the Law for the Promotion of Women's Advancement, the Asset Manager has formulated a "General Business Owner Action Plan" with the aim of creating a comfortable employment environment and a workplace environment where female employees can work for a long time. The company encourages efforts to provide opportunities for dialogue on balancing childcare and work, for example, by holding follow-up lunches for those who have taken childcare leave and wish to return to work.
Under the "General Business Owner Action Plans based on the Act on Advancement of Measures to Support Raising Next-Generation Children," we drew up actions plans in October 2023 to achieve a 100% childcare leave usage rate for male employees with 14 days or longer of such leave period, and to maintain a 70% or higher paid holiday usage rate for all employees, including those in managerial positions.

※ For more information on the Formulation of general business owner action plans and information on women's activities, please refer to the Asset Manager's website.

Reference

Daiwa Securities Group Management Vision "Diversity & inclusion"

The Group has identified "Diversity and Inclusion" as one of the priority areas in its "Vision 2030" as the foundation for sustainable management. The Group has identified a key issue on which it should place particular focus: Ensuring diversity and expertise to strengthen competitiveness.



Initiatives for Human Resource Development

DR

The source of the Group's competitiveness is its human resources. It values the creativity of each and every employee, fosters a free and vigorous corporate culture full of a challenging spirit, and properly evaluates employee abilities and contributions. Human resources are our most important asset, and they support the realization of autonomous career development by enhancing human resource development, training programs, and support for qualification acquisition so that employees can grow and achieve self-fulfillment through working at the Asset Manager.

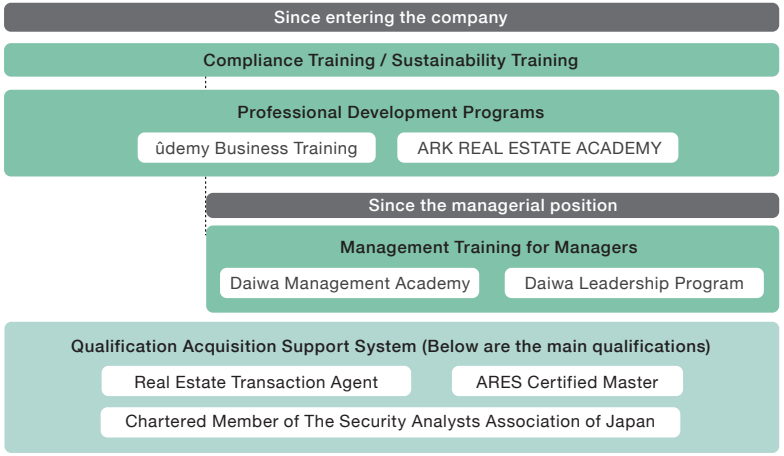
Daiwa Securities Group Corporate Philosophy

The Group has four corporate principles. We are "building trust," "placing importance on personnel," "contributing to society," and "maintaining healthy earnings results." It has nurtured our corporate culture since the foundation of its business, and we regard it as the core of Daiwa's identity. It has taken steps to crystallize the basic philosophy and mindset of the Group inherent in its culture to be manifested as the "Daiwa Spirit."

Approach to Human Resource Development / In-House Training and Education System

The Group aims to be a group of true professionals who love their work and continue to challenge high goals. In order to become a professional, employees are required to work tirelessly toward the career they aspire to in the future, in addition to the elements necessary for their current work. The Asset Manager has established the following in-house training and education programs, in which employees also participate.

Company-wide training	Training for the entire company includes compliance training and sustainability training.
Professional Development Programs	With the aim of improving employees' professional skills, the Asset Manager has established training programs such as "ûdemy Business Training" and "ARK Real Estate Academy" by external organizations and "Daiwa Securities Skills Training" by the Group, which employees may voluntarily attend.
Management training for managers	The Group has established the Daiwa Leadership Program and the Daiwa Management Academy as selective training programs for managers, providing an opportunity to develop human resources who can become the next generation of potential leaders.



Introduction of Next-Generation Learning Platform

The Asset Manager introduced a next-generation learning platform "ûdemy Business," which is a self-improvement tool that can be used on a PC, smartphone and such, for all executives and employees."

Strategies for Securing / Training Human Resources

In addition to hiring talented personnel from outside the company, the Asset Manager has concluded a "Sponsor Support Agreement Concerning Cooperation in Securing Human Resources, etc." with Daiwa Securities Group Inc. and accept employees on secondment from the Group to promote the sharing and passing on of expert opinions and skills related to real estate asset management, and to improve the sustainability of the entire organization. The Asset Manager has also introduced an "intra-group recruitment system" to open up new career paths for employees with the desire and ability to achieve self-fulfillment.

	FY2022	FY2023	FY2024
Secondments from Daiwa Securities Group	28	27	26

Qualification Acquisition Support

The Asset Manager supports its employees so that they can demonstrate a high level of expertise as professional personnel. The Asset Manager provides support for the acquisition of qualifications to improve employees' abilities, such as training and examinations for various qualifications, including real estate-related qualifications such as certified real estate transaction agents and certified masters of the Association for Real Estate Securitization, as well as covering the costs of maintaining qualifications.

Main Qualification Holders

(As of March 31, 2025)

	Number of holders
Real estate transaction agents	70
ARES certified master	37
Certified building administrator	15
Certified property manager	4
First-Class architect	6
Real Estate consulting master	6
Chartered member of the Security Analysts Association of Japan	9
Certified public accountant	3
Certified public tax accountant	2

※ Number of employees of the Asset Management Company as of the end of March 2025 : 126

Qualification Support Usage Results

	FY2024
Number of qualification support utilization	54
Qualification fee per person	7,075 JPY

Initiatives to Achieve Diverse Work Styles /Initiatives for Health and Comfort

DR

The Group believes that maximizing the engagement of each and every employee will lead to higher customer satisfaction and ultimately higher shareholder value. The Asset Manager is actively working to create a comfortable work environment and promote employee health, etc., so that each and every employee can feel fulfilled in their work.

Introduction of Investment Unit Ownership Program

The Asset Manager has introduced a DOI /DLI investment unit ownership program for the employees of the Asset Manager.

Name of the investment unit ownership association	Daiwa Real Estate Asset Management ・DOI Investment Unit Ownership Association for Daiwa Real Estate Asset Management Employees ・DLI Investment Unit Ownership Association for Daiwa Real Estate Asset Management Employees
Purpose of establishment	・Increase unitholder value in the medium to long term by matching interests with DOI and DLI unitholders ・Promote employee welfare

Conducting a Survey for Enhanced Engagement

The Asset Manager conducts surveys to enhance engagement of the organization and employees by “checking for changes with detailed yearly measurement of the organization’s status” and “understanding conditions of employees in real time.”

Benefits and Work-Life Balance

The Asset Manager has introduced a flextime system, a teleworking system, an hourly paid leave system, and other systems to enable employees to work in diverse ways according to their individual lifestyles and work characteristics. The following systems have been established to help employees achieve a better work-life balance so that they do not have to give up work due to life events such as childbirth, childcare, or nursing care.

All employees	Consecutive holiday, flextime, medical checkups, Life Support paid holiday, Telework system
Childrearing	Childcare leave, Pre-childcare leave for male employees, Short working hours system, Exemption/restriction on overtime work, Nursing care leave, Daycare subsidy, Babysitter system, Support desk for employees looking for nursery schools
Female employees	Daiwa ELLE Plan
Nursing care	Nursing care leave, Nursing care-support leave

	FY2022	FY2023	FY2024
Childcare leave takers	5	4	4
Return rate from childcare leave	80%	100%	100%
Nursing care leave takers	0	0	0

Employee Satisfaction Survey

The asset Manager believes that it is important to reflect the views of employees in organizational management and utilize them in various measures, etc. , in order to build a better workplace environment . To this end, it conducts employee satisfaction surveys by an external organization and utilizes the survey results to improve the internal environment.

Acquisition of Kurumin certification

The Asset Manager obtained “Kurumin” certification in June 2024. In accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children, companies that have formulated a general business owner action plan, achieve the goals set forth in the plan, and meet certain criteria may apply to receive certification from the Minister of Health, Labor and Welfare as a “company that supports child-rearing” (Kurumin certification). The “Kurumin Mark” is a sign that a company has received this certification.

Initiatives for Health Care

In its health and safety efforts, including labor management and crisis management, the Asset Manager emphasizes the prevention of overwork and the proper understanding of working hours, and strives to improve labor productivity and maintain employee health by appropriately monitoring working hours. It concludes labor-management agreements (36 agreements) on overtime work with employee representatives. Since February 2023, the lights have been automatically turned off in the office area of the Asset Manager at certain times after 7:00 p.m., in an active effort to reduce overtime hours. In addition, in order to maintain the health of its employees, it provides subsidies for various expenses such as the expenses for medical checkups and influenza inoculations, etc., and also makes efforts to thoroughly conduct stress checks and medical examinations, require employees to take long consecutive vacations, improve the rate of paid vacations taken, etc.

	FY2022	FY2023	FY2024
Percentage of employees who took the stress check	96%	96%	97%
Paid holiday usage rate	74%	83%	85%
Yearly paid holidays taken per person	17.0	19.0	19.5

	FY2022	FY2023	FY2024
Annual prescribed working hours per person	1837.5 hr	1830.0 hr	1830.0 hr
Average monthly overtime hours per person	18.7 hr	20.0 hr	20.6 hr

Initiatives to Promote Wellness

The Group has implemented measures to prohibit smoking on all surfaces during working hours and to improve health awareness. In June 2022, the Group began offering subsidies for dental checkups to all insured employees of the Group, and launched the “Good Sleep Daiwa - Good Sleep Daiwa Project” as an initiative to improve employees’ sleeping skills. Reflecting the opinions of the employee satisfaction survey, the Asset Manager, upon the initiative of its employees, has continued to hold “Shuffle Lunch Meetings” to revitalize internal communication, which had become scarce with the Corona Disaster, and subsidized the expenses for the meetings.

Responding to Harassment

The Asset Manager conducts regular harassment training to raise the sensitivity and awareness of officers and employees to harassment, while making them aware of the Compliance Consultation Desk. In addition, the Asset Manager grasps the actual situation of harassment during the biannual self-assessment of career plans.

Governance Initiatives

Corporate Governance Structure

DR

The organization of each Investment Corporation consists of a general meeting of unitholders, a board of directors consisting of one executive director and two supervisory directors, and an accounting auditor.

Investment Corporation Institutions

(a) General Meeting of Unitholders

Certain resolutions, which are stipulated in the Act on Investment Trusts and Investment Corporations or the articles of incorporation, are adopted at the General Meeting of Unitholders.
Unless otherwise stipulated in the law or articles of incorporation, resolutions of the General Meeting of Unitholders shall be adopted by a majority of the voting rights of the unitholders present. However, for certain important matters such as amendments to the articles of incorporation, resolutions (special resolutions) must be adopted by two-thirds or more of the voting rights of the unitholders present at a meeting where unitholders holding a majority of the investment units issued and outstanding are present.

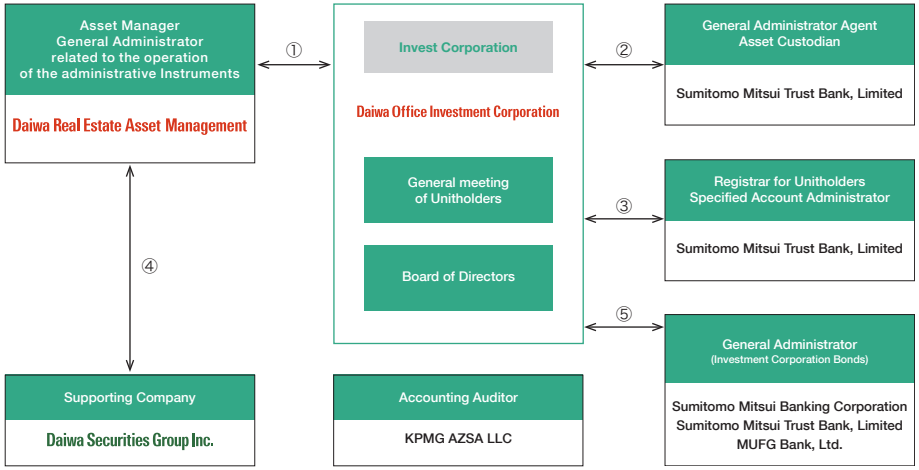
(b) Executive Director, Supervisory Directors & Board of Directors

The executive director has the authority to execute the business of the investment corporation and to perform any judicial or extrajudicial acts related to the business of the investment corporation on behalf of the investment corporation. The supervisory directors have the authority to supervise the execution of duties by the executive directors. The Board of Directors, which is composed of all executive directors and supervisory directors, has the authority to approve the execution of certain duties, as well as the authority stipulated in the Investment Trust Law and the Articles of Incorporation, and the authority to supervise the execution of duties by the executive directors.

(c) Accounting Auditor

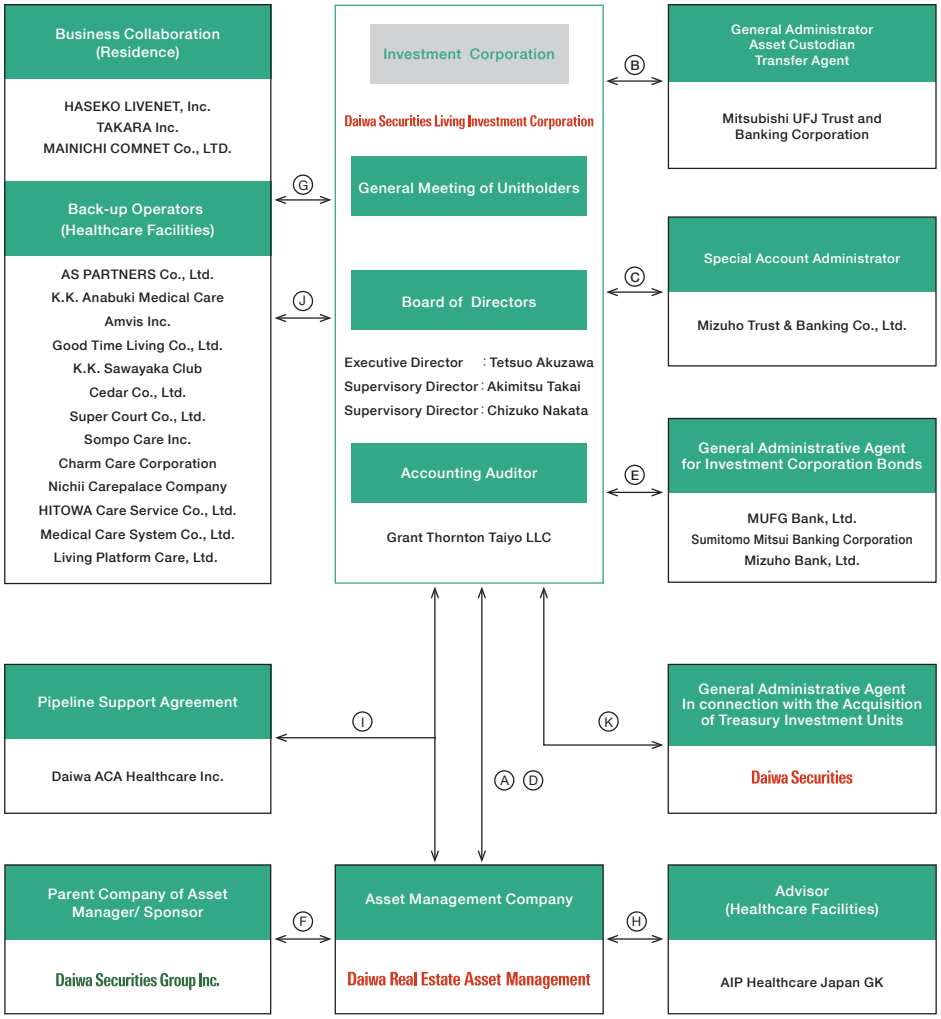
An accounting auditor is appointed for each Investment Corporation. The accounting auditor audits the financial statements, etc. of the investment corporation and reports to the supervisory directors in the event that it discovers any wrongful act or material fact in violation of laws, regulations, or the Articles of Incorporation in connection with the execution of duties by the executive directors, and performs other duties as stipulated by laws and regulations.

Structural Chart of the Investment Corporation DOI



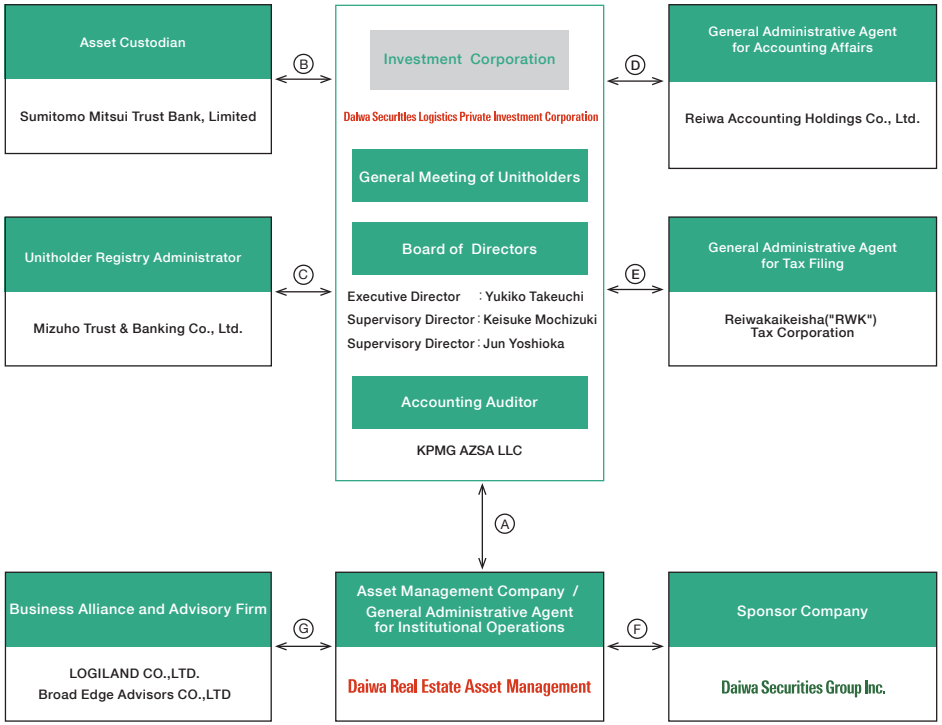
① Asset management contract / General administrative contract related
② General administrative affairs contract / Asset custodian contract
③ Unitholder register, etc., management contract / Special account management contract
④ Sponsor support agreement
⑤ Fiscal agency agreement

Structural Chart of the Investment Corporation DLI



Ⓐ Asset management agreement Ⓑ General administration agreement / Asset custody agreement / Investment unit agency entrustment
Ⓒ Agreement on special account administration Ⓓ Institution Management Services Agreement
Ⓔ Fiscal, issuing and paying agency agreement Ⓕ Sponsor support agreement Ⓖ Business Alliance Agrees
Ⓗ Advisory agreement Ⓘ Pipeline support agreement Ⓙ Back-up MOU
Ⓚ Agreement for the Entrustment of Investment Unit Purchases (Acquisition of Own Investment Units)

Structural Chart of the Investment Corporation DLP



Ⓐ Asset Management Agreement / General Administrative Services Agreement Ⓑ Custody agreement
Ⓒ Administrative Services Agreement Ⓓ Accounting Services Agreement Ⓔ Accounting and Tax Filing Services Agreement
Ⓕ Sponsor Support Agreement Ⓖ Business Alliance and Advisory Agreement

Compliance Structure

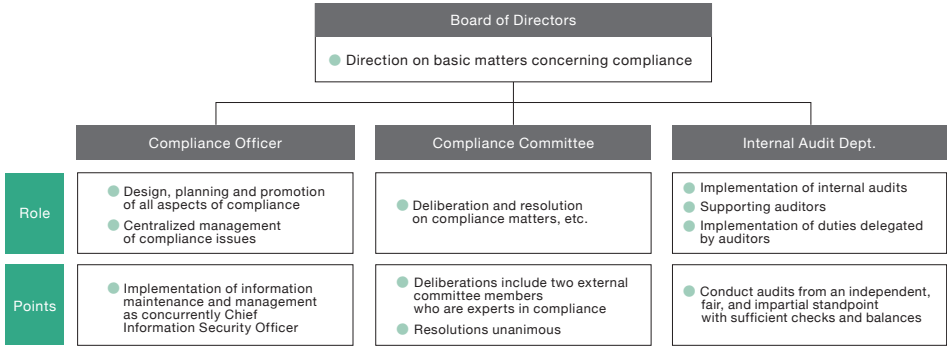
DR

Basic Policy on Compliance

The Asset Manager fully recognizes that non-observance of compliance could shake the management foundation of the investment corporation or fund for which the Asset Manager is entrusted with or advises on asset management, as well as the Asset Manager, and has positioned thorough compliance as a basic management principle.

Compliance Structure

The Asset Manager is committed to honest and fair corporate activities, not only in strict compliance with all laws and regulations related to its operations, various regulations, bylaws and market rules but also in full awareness of social norms.



(a) Board of Directors

The Board of Directors, as the decision-making body for basic matters related to the promotion of compliance, decides on the establishment and revision of rules and regulations, as well as other important compliance-related matters.

(b) Compliance Committee

The Compliance Committee, as an independent body from the Board of Directors, deliberates and resolves on matters related to compliance. The Compliance Committee consists of the Compliance Officer, Directors, the General Manager of the Internal Audit Dept., and an outside specialist familiar with compliance matters.

(c) Compliance Officer

The Compliance Officer, as the chairman of the Compliance Committee, oversees internal compliance matters and plans, drafts, and promotes overall compliance.

(d) Compliance Manual

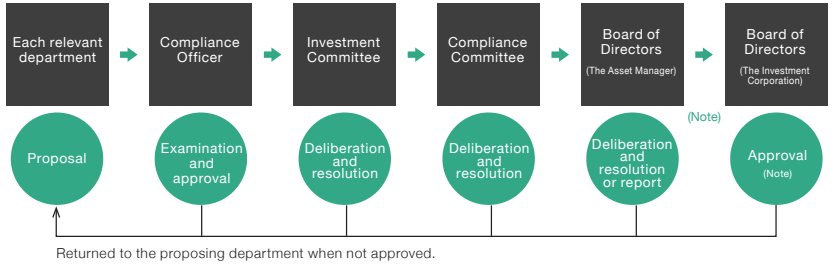
The Compliance Manual has been formulated as a specific guide for officers and employees to implement compliance activities.

(e) Compliance Program

As a specific implementation plan to achieve compliance, a “Compliance Program” is formulated in principle for each fiscal year of the Asset Manager and revised as necessary.

Investment Decision-making System

As an asset management company under the Act on Investment Trusts and Investment Corporations that is entrusted with asset management by the Investment Corporation, the Asset Manager prepares, in line with the Articles of Incorporation, asset management guidelines to stipulate basic approaches to investment management, such as the investment policy, rules on transactions with interested parties regarding acquisition and sale of assets, etc. and the disclosure policy.



※When transacting (acquiring or transferring real estate or securities, or leasing) with interested persons under the Act on Investment Trusts and Investment Corporations, approval by the Board of Directors of the Investment Corporation is required except for certain cases.

Appropriate Management of Conflicts of Interest

In cases where transactions may be at risk of conflicts of interest concerning the financial instruments business or other related operations, the Asset Manager shall comply with the Financial Instruments and Exchange Act, the Act on Investment Trusts and Investment Corporations and other related laws and regulations, and the separately provided rules on measures against conflicts of interest. The rules on the prevention of conflicts of interest provide the following terms and conditions individually for each of the following transactions:

1) Asset Acquisition

In case of acquiring real estate or real estate trust beneficiary rights from interested parties, the acquisition price shall be at 100% or less of the appraisal value as appraised by a real estate appraiser. In the case of other assets, the acquisition shall be made at fair value. However, if the fair value measurement is not applicable, the acquisition shall be at the value reasonably estimated by an expert independent from the asset management company.

2) Other

In cases other than asset acquisition, such as asset sale, asset leasing, entrustment of property management operations, entrustment of intermediation operations for real estate acquisition, sale or leasing and placement of construction orders, where such involves interested persons, the transaction shall be implemented in line with the rules on measures against conflicts of interest.

Prevention of Conflicts of Interest among Funds

In case of competition over a property acquisition opportunity among the Investment Corporation and other funds, etc. managed by the Asset Manager, conflicts of interest among the Investment Corporations and other funds, etc. shall be prevented by first granting the Investment Corporation the preferential right to consider the acquisition. The acquisition opportunity will be available to the other funds, etc. only when the Investment Corporation decides not to exercise the concerned preferential right. Furthermore, in the case of rental residences, the Asset Manager shall prevent arbitrary distribution of property information and avoid conflicts of interest among Daiwa Residential Private Investment Corporation, Daiwa Securities Living Investment Corporation and other funds, etc. by establishing the “Rotation Rule.”

Initiatives for Risk Management and Internal Audit

DR

The Group recognizes the importance of identifying and evaluating the various risks associated with our business operations accurately, and controlling them effectively, while we pursue profitability and growth. We aim to maintain a sound financial base and profit structure by properly balancing risks and returns and appropriately controlling not only short-term risks but also risks that are likely to appear in the medium- to long-term, such as climate change risk. By doing so, we seek to achieve sustainable improvement in corporate value.

Risk Management Initiatives

(Basic Policy on Risk Management)

The Asset Management Company fully recognizes its responsibility as a fiduciary managing clients' assets. In order to prevent any improper losses to clients and the consequent loss of trust or destabilization of the Company's management foundation due to insufficient risk management, the Company regards the thorough and appropriate management of various risks as a fundamental management principle. Furthermore, as a financial instruments business operator, the Company is keenly aware of its responsibility to deliver the value that society expects from its operations. Based on its management policies and strategic objectives, and under active management involvement, the Company is committed to building a robust risk management framework and continuously engaging in effective risk management practices.

(Risk Management Regulations)

The Company has established the "Risk Management Regulations" with the aim of defining its basic policies on risk management and ensuring the proper conduct of business operations through the development of internal control systems, thereby maintaining sound corporate management.

(Risk Management Framework)

In order to manage risks, the Asset Manager has appointed a person designated by the Representative Director from among its directors as the "Chief Risk Management Officer" to oversee the development of an appropriate risk management system. In addition, the Asset Manager has established the "Risk Management and Compliance Department" as a risk management control division, and designates the general manager of each department as the "Risk Management Officer" to promote appropriate risk management.

Anti-bribery and Anti-corruption Policy

The Asset Manager stipulates in its "Rules of Employment," "Compliance Manual," etc. that it will not engage in bribery, embezzlement, or other improper acts, and that it will strictly punish those who engage in such improper acts. In the Compliance Manual, we prohibit the offering, giving, or promising of improper benefits, and prohibit entertainment or gifts to business partners beyond what is socially acceptable; furthermore, we prohibit the offering, giving, or promising of bribes or improper benefits. All employees submit a written pledge once a year regarding the presence or absence of entertainment or gifts received from business partners, etc., and we check within the company for any instances of impropriety.

Whistleblowing System

The Asset Manager has established a whistleblowing system for all employees (part-time, contract, seconded from other companies and temporary).
This system enables anonymous reporting and, in compliance with the Whistleblower Protection Act, prohibits firing, disciplining, retaliating against or subjecting the whistleblower to any other disadvantageous treatment on account of their report.

Internal Audit System

The Asset Management Company has established an Internal Audit Department and has defined the basic matters concerning internal audits in the "Internal Audit Regulations."
The Internal Audit Department verifies whether the Company's operations are being conducted appropriately in accordance with laws, regulations, and internal rules. Based on the results of internal audits, the department instructs relevant departments to implement necessary improvements.

Establishment of Tax Policy

In order to enhance tax corporate governance, the Group has established "Daiwa Securities Group Tax Policy" which serves as a code of conduct and decision-making standards for taxation.

Protection of Information Assets

The Asset Manager has established Rules for the Protection of Information Assets with the aim of properly utilizing corporate information and preventing unauthorized access and loss or leakage of corporate information.
The regulations ensure thorough information management by stipulating the management of confidential information, access restrictions for outsiders, prevention of information leaks, maintenance of information systems and education and audits related to information system management.

Establishment of a System to Eliminate Antisocial Forces

In order to ensure the soundness and fairness of the securities market and to ensure the safety of customers and employees, Daiwa Securities Group Inc. has set a policy to establish a system to eliminate antisocial forces such as organized crime groups, persons related to organized crime groups, and general meeting rooms, and will take organized measures to sever all relationships with these forces. The Asset Manager has established the "Standards for Dealing with Antisocial Forces" and the "Antisocial Forces Check Manual" and is determined to take a firm attitude toward antisocial forces in order to sever any and all relationships.
In addition, in cooperation with the Group, the Asset Manager has established and implemented a screening system for antisocial forces at the time of transactions, introduced clauses for the elimination of organized crime groups in contractual documents with business partners, and conducted thorough confirmation at the time of transactions in accordance with the Act on Prevention of Transfer of Criminal Proceeds. The Asset Manager has also established a system for screening our business partners.

Status of Compliance Training

The Asset Manager periodically conducts compliance training as follows for all officers and employees, including temporary employees, to ensure compliance and raise awareness. The topics covered include "Elimination of Anti-Social Forces," "Prevention of Money Laundering and Countermeasures against Terrorist Financing," "Fair Competition," "Information Security," " Prevention of Insider Trading," and "Business Entertainment and Gifts," as stipulated in the Compliance Manual and the participation rate for these trainings is as follows.

	FY2022	FY2023	FY2024
Compliance training (Number of times conducted)	twice	3 times	4 times
Compliance training (Training hours per person)	Total 2 hours	Total 2 hours	Total 2 hours

Year Held	Training Participation Rate
1st half of FY2022	100.0%
2nd half of FY2022	100.0%
1st half of FY2023	100.0%
2nd half of FY2023	100.0%

Sustainability Finance

Sustainability Finance

DOI DLI

Each Investment Corporation has developed a financing framework to provide investors with ESG investment opportunities through sustainability finance, and promotes ESG investment through bond and loan financing.

Green Finance Initiative DOI

(Evaluation by external organizations)

The Investment Corporation has established the Green Finance Framework under the belief that providing investment opportunities for investors who are active in ESG investment through green financing is of social significance. DOI has received "Green 1(F)", the highest rating in "JCR Green Finance Framework Evaluation" from Japan Credit Rating Agency, Ltd. as a third-party evaluation for the Green Finance Framework.

1. Use of Procured Funds

Funds raised through green bonds or green loans will be used to acquire properties that meet the following eligible criteria or to refinance the funds.

【Eligible Criteria】

Properties that have received or will receive any of the following certifications from third-party certification bodies

(1) DBJ Green Building Certification : 3~5 Stars

(2) CASBEE for Real Estate Certification : B+ Rating~S Rating
(CASBEE-Building (new construction), CASBEE (Real Estate), CASBEE (for Municipalities))

(3) BELS Certification : 3~5 Stars (Standards for FY2016) Non-residential…Level 4~6 (Standards for FY2024)

(4) LEED Certification : Rank Silver~Rank Platinum

2. Evaluation/Selection Process of Projects

Under the advice of the asset management personnel of the Asset Manager, the Finance Department will consider the suitability for the eligibility criteria, and then evaluate and select the projects. Raising funds through green financing for the project is examined by the Asset Manager's Sustainability Promotion Committee, deliberated by the DOI Investment Committee and the Board of Directors, and approved by the Board of Directors of the Investment Corporation.

3. Management of Procured Funds

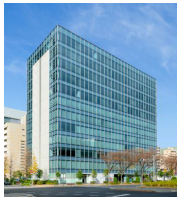
DOI will set the total acquisition price of Green Eligible Assets as the maximum amount of Green Bond issuance and will manage and internally track and control the appropriated funds on a portfolio-by-portfolio basis to ensure that the outstanding amount of Green Bonds does not exceed the total acquisition price of Green Eligible Assets for as long as the Green Bond issuance remains outstanding.
If all or a portion of the funds raised by Green Bonds are not immediately allocated to Green Eligible Assets, DOI will identify unallocated funds and manage all or a portion of the proceeds in cash and cash equivalents until such time as the funds are allocated to Green Eligible Assets.

4. Impact Reporting

DOI publishes the status of fund appropriation, certification of Green Qualified Assets, and environmental performance indicators on its website on an annual basis for as long as there are outstanding Green Bonds issued. Please refer to the website for details of the fund appropriation status reporting and impact reporting (status of certification of green qualified assets and quantitative indicators related to green qualified assets).

Green finance procurement amount	
Green loan outstanding	Total 24.9 billion yen
Green bonds outstanding	Total 3.9 billion yen

(End of March 2025)



Examples of Green Finance Applications (Daiwa Harumi)

Social Finance Initiatives DLI

(Evaluation by external organizations)

DLI has developed a Social Finance Framework to provide investors with ESG investment opportunities through social finance, and has received the highest rating of "Social1(F)" from Japan Credit Rating Agency, Ltd.

1. Use of Procured Funds

Funds raised through social bonds or social loans will be used to acquire properties that meet the following eligibility criteria or to refinance the funds.

【Eligible Criteria】

1. Nursing homes (1) Pay nursing homes : ①Nursing care type ②Healthy type ③Residential type
(2) Serviced senior housing (3) Other nursing homes
2. Medical facilities (Hospitals / Clinics / Medical malls)

2. Evaluation/Selection Process of Projects

Under the advice of the asset management personnel of the Asset Manager, the Finance Department will consider the suitability for the eligibility criteria, and then evaluate and select the projects.
Raising funds through Social Finance for the project is examined by the DR Sustainability Promotion Committee, deliberated by the DR Investment Committee and the Board of Directors, and approved by the Board of Directors of Investment Corporation.

3. Management of Procured Funds

If there are unallocated funds, the funds raised will be managed in cash or equivalent until the full amount of the funds raised is allotted.
Even after the full amount has been allocated, if the assets for which the funds are used are excluded from the portfolio due to sale, etc., the funds will be managed appropriately by the portfolio management.

【Portfolio management】 (Every fiscal period)
Total balance of Social Finance ≦ Social Finance eligible debt limit
(Total acquisition price of assets that meet the eligible criteria x Total assets LTV (Loan to Value))

4. Impact Reporting

DLI publishes on its website on an annual basis the status of application of funds raised through social finance and impact reporting (number of healthcare facilities acquired, occupancy rate, and amount invested in healthcare facilities).

Social finance procurement amount	
Social loan outstanding	Total 10.92 billion yen
Social bonds outstanding	Total 2.0 billion yen

(End of March 2025)

Examples of property acquisitions using social finance (Charm Premier Kamakurayama (Left), Sunny Life Shibaura (Right))

Acquisition of External Assessments / Certifications

External Assessments

DOI DLI DLP DR

Each Investment Corporation is working to improve its score by obtaining external evaluations by third parties in order to enhance the reliability and objectivity of the results of its efforts to reduce environmental impact, as well as to increase the medium- to long-term value of the properties it owns.

GRESB Real Estate Assessment DOI

GRESB is a benchmark for measuring the sustainability performance of the real estate sector, created in 2009 by a group of major European pension funds. Leading institutional investors are members and use GRESB in their real estate investment management process.
DOI, DLI and DLP will continue to participate in the GRESB Real Estate Assessment. Their respective ratings in the 2024 GRESB Real Estate Assessment are as follows :

(Key Assessment Points)

- DOI and DLI have received the "Green Star" rating, the highest rating given to outstanding participants in both the "Management Component," which evaluates the company's policies and organizational structure for ESG promotion, and the "Performance Component," which evaluates the environmental performance of the properties owned and efforts with tenants.
- DOI has received the “4-star” rating, DLI has received the “2-star” rating, and DLP has received the “1-star” rating in the GRESB Rating, a five-level rating system based on the global ranking of overall scores.
- DOI and DLI also received the highest "A Level" rating in the GRESB Disclosure Assessment, which measures the level of ESG information disclosure, for their efforts in ESG information disclosure.

Type of assessment	Contents	Assessment results		
		DOI	DLI	DLP
GRESB real estate assessment	Evaluates ESG performance in terms of “management & policy” and “asset portfolio performance”	Highest Rating Green Star (Obtained for the 13th consecutive year)	Highest Rating Green Star (Obtained for the 3rd consecutive year)	–
	Relative assessment based on the total score (GRESB Rating)	4Stars GRESB ★★★★☆ 2024	2Stars GRESB ★★☆☆☆ 2024	1Star GRESB ★☆☆☆☆ 2024
GRESB public disclosure	Evaluates the level of ESG disclosure	Highest Rating A (Obtained for the 4th consecutive year) GRESB Public Disclosure 2024	Highest Rating A (Obtained for the 3rd consecutive year) GRESB Public Disclosure 2024	–

JHEP Certification DLI

In “Gran Casa Ryokuchi-koen”, which is owned by DLI, a self-managed park has been established, and the planting management aiming to improve the quality of biodiversity has been evaluated. The park has received JHEP certification (rank A) in recognition of its self-managed park and planting management that aims to improve the quality of biodiversity.

JHEP certification.....JHEP certification is the only certification system in Japan that enables objective and quantitative evaluation, certification, and visualization of contributions to biodiversity conservation, and is a voluntary system developed and operated by the Japan Ecosystem Society.

JHEP CERTIFIED

Gran Casa Ryokuchi-koen

MUFG ESG Rating Certificate for J-REITs Supported by JCR DOI

The MUFG ESG Rating Certificate for J-REITs Supported by JCR is a system that assesses companies' ESG-related initiatives based on original ESG-related check items, with Mitsubishi UFJ Research & Consulting Co., Ltd. (MURC) as the service provider and the Japan Credit Rating Agency (JCR) as the support company. It is a specialized product for J-REITs that, in addition to assigning a score, provides feedback on the assessment results, current issues, etc.
In May 2022, DOI acquired the highest “S Rank” for the MUFG ESG Rating Certificate for J-REITs Supported by JCR.

SBT Certification DOI

DOI obtained certification by the SBTi (SBT initiative) about greenhouse gas (GHG) emissions reduction targets on July 10, 2025.
SBT (Science-Based Targets) are GHG emissions reduction targets set by companies that are aligned with the levels required by the Paris Agreement, which aims to limit the global temperature increase to 1.5°C, well below the 2°C limit relative to the pre-industrial level. SBT certification is certified by the SBTi, an international initiative established on May 13, 2021 by four organizations: UNGC (the United Nations Global Compact), CDP, WRI (the World Resources Institute), and WWF (the World Wide Fund for Nature). SBT certifies that the SBT set by companies is based on scientific evidence.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Greenhouse gas emissions reduction target				
Targets	Base year	Target year	Target GHGs	GHG emissions reduction target
Near-term target	2023	2030	Scope 1 and Scope 2	42%
			Scope 3	25%

External Certifications

DOI DLI DLP

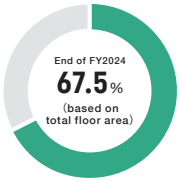
Each Investment Corporation and the Asset Management Company are aiming to increase the ratio of environmental certifications acquired in order to enhance the reliability and objectivity of the results of their efforts to reduce environmental impact, and at the same time, to increase the medium- to long-term value of the properties they own.

① Acquisition of Environmental Certifications DOI

- Number of properties with environmental certifications : **36**
- Percentage of environmental certifications acquired : **67.5%** (As of March 31, 2025)
- Environmental certification acquisition rate target : **Achieve 70.0% or more** by FY2030

(Acquisition results)

	FY2022	FY2023	FY2024
Number of properties with certification	32	34	36
Percentage of certification (based on total floor area)	61.9%	63.4%	67.5%



	Number of properties with certification	Percentage of certification (based on the number of properties)	Certified area	Percentage of certification (based on total floor area)
CASBEE	30	50.8%	338,348.17㎡	64.9%
DBJ	2	3.4%	419,90.89㎡	8.1%
BELS	7	11.9%	59,610.35㎡	11.4%
Total (※)	36	61.0%	351,785.49㎡	67.5%

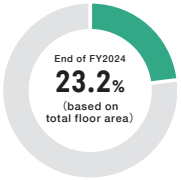
(As of March 31, 2025)

② Acquisition of Environmental Certifications DLI

- Number of properties with environmental certifications : **30**
- Percentage of environmental certifications acquired : **23.2%** (As of March 31, 2025)
- Environmental certification acquisition rate target : **Achieve 30.0% or more** by FY2030

(Acquisition results)

	FY2022	FY2023	FY2024
Number of properties with certification	21	26	30
Percentage of certification (based on total floor area)	15.8%	19.7%	23.2%



	Number of properties with certification	Percentage of certification (based on the number of properties)	Certified Area	Percentage of certification (based on total floor area)
CASBEE	12	4.9%	105,343.99㎡	12.1%
DBJ	2	0.8%	29,851.34㎡	3.4%
BELS	16	6.5%	66,250.37㎡	7.6%
Total (※)	30	12.2%	201,445.70㎡	23.2%

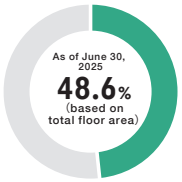
(As of March 31, 2025)

③ Acquisition of Environmental Certifications DLP

- Number of properties with environmental certifications : **5**
- Percentage of environmental certifications acquired : **48.6%** (As of June 30, 2025)
- Environmental certification acquisition rate target : **Achieve 60.0% or more** by FY2030

CASBEE for Real Estate certification		Rank S	Rank A	Rank B+	Total
	Number of properties	2	2	1	5
	Percentage of certification	21.0%	21.9%	5.6%	48.6%

(As of June 30, 2025)



④ Overview of Environmental Certification

● CASBEE for Real Estate Certification

CASBEE for Real Estate certification is a system for evaluating the overall environmental performance of buildings that have been developed in Japan and whose use is becoming more widespread there. It rates buildings on a five-tiered scale from "S Rank" (superior) to "C Rank" (lacking) based on environmental measures such as the use of energy-efficient equipment and equipment with a small environmental footprint, as well as building quality, including consideration of interior comfort, the view, etc.

Click here for more details about the CASBEE for Real Estate certification system

● DBJ Green Building Certification

DBJ Green Building certification is a system created by the Development Bank of Japan (DBJ) to support environmentally and socially responsible real estate. Based on an overall assessment including the environmental performance of the property as well as measures for various stakeholders (disaster prevention, community engagement, etc.), it evaluates and certifies socially and economically necessary real estate on a five-tiered scale, from five stars (the highest rating) to one star (the lowest rating).

Click here for more details about the DBJ Green Building certification system

● BELS Certification

BELS certification is a third-party certification system that rates housing and other buildings based on their commitment to disclosing energy-saving performance based on the Act on the Improvement of Energy Consumption Performance of Buildings by means of a BEI value calculated using primary energy consumption, in accordance with building energy consumption performance standards stipulated by the national government. Evaluation and disclosure based on this system is performed by member organizations (registered housing quality assessment organizations, designated confirmation and inspection agencies, registered building survey organizations, etc.) of the assessment association who have notified of performing BELS-related duties. Buildings are assessed on a 7-tiered scale, from 6-stars (highest rating) to no stars (lowest rating).

Click here for more details about the BELS certification system (Only Japanese Site)

※ In calculating the acquisition ratio of environmental certifications, CASBEE certification, DBJ Green Building certification, and BELS certification are included.
※ Properties that have acquired multiple environmental certifications for the same property are treated as a single property when calculating the values for properties that have acquired environmental certifications and the ratio of ratios of acquisition of environmental certifications.
※ The total floor area of condominium-owned buildings is calculated based on the ratio of ownership.
※ The number of certified properties and the ratio of certified properties are the actual results as of the end of March 2025.
※ The figures for each environmental certification are calculated based on the number of properties and total floor space as of the end of March 2025.
DOI Number of properties as of the end of March 2025 : 59, Total floor space of the entire portfolio : 520,990.57 m^2
DLI Number of properties as of the end of March 2025 : 246, Total floor space of the entire portfolio : 866,934.44 m^2

ESG Data

Environmental Initiatives

DOI DLI

Environmental Certifications / Examples of major property acquisitions

DOI

(As of March 31, 2025)

Property type	Property name	CASBEE	DBJ	BELS
Office	Daiwa Sarugakucho	S		
	Shinjuku MAYNDS Tower	S	★★★★	
	Daiwa Harumi	S		
	Daiwa Misakicho	A		
	Daiwa Tsukiji	A		
	Daiwa Tsukishima	A		
	Daiwa Nihonbashi Horidomecho	A		
	Daiwa Nishi-Shimbashi	A		
	Daiwa Kayabacho	A		★★
	Daiwa Jinbocho 3-chome	A		
	E SPACE TOWER	A		
	Daiwa Nihonbashi Hongokucho	A		
	Daiwa Shibuya Shinsen	A		
	Daiwa Shibuya Square	A		
	Daiwa River Gate	A		
	Daiwa Hatchobori ekimae	A		
	Daiwa Hatchobori ekimae West	A		
	Kirin Nihonbashi	A		
	Daiwa Daikanyama	A		
	Daiwa Kanda Mikuracho	A		
	Daiwa Mita 2-Chome	A		
	Nihonbashi Central Square	A		
	Daiwa Ogikubo	A		
	CONCURRED Yokohama	A	★★★	
	Daiwa Shinagawa Gotenyama	A		
	Daiwa Kitahama	A		
	Daiwa Shibadaimon	B+		
	Daiwa Tsukijiekimae	B+		
	Daiwa Nishi-Shinjuku	B+		
	Daiwa Shinagawa North	B+		
	Daiwa Akihabara			★★★★★
	Daiwa Nihonbashi BakurochoⅡ			★★★★
	Daiwa Azabu Terrace			★★★
	Daiwa Nihonbashi Bakurocho			★★★
	Daiwa Higashi-Ikebukuro			★★
	shinyon curumu			★
Total		30	2	7

Shinjuku MAYNDS Tower

E·SPACE TOWER

Daiwa Akihabara

Daiwa Nihonbashi Bakurocho

Daiwa Azabu Terrace

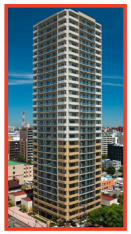
DLI

(As of March 31, 2025)

Property type	Property name	CASBEE	DBJ	BELS
Rental housing	Satella Kita 34jo	A		
	Forest Hill SendaiAoba	A		
	WillDo Kiyosumi	A		
	TK Flats Shibuya	A		
	Joyce Court	A		
	Serenite ShinOsaka Nibankan	A		
	Gran Casa Nambamotomachi	A		
	L-Place Esaka Ⅱ	A		
	Chijikoukanmae Tower Residence	A		
	Sereno Omiya	A		
	Sakura Hills Fujimi	A		
	Serenite Honmachi Grande	B+		
	The Residence Honmoku		★★★	
	Granpark Tenjin		★★	
Healthcare	Irise Komae Bettei			★★★★★
	AIP Kachidoki-Ekimae			★★★★★
	Aira no mori Higashi-Ofuna			★★★★★
	Aira no mori Shakujiikoen			★★★★★
	Senior Forest Yokohama-Tsuzuki			★★★★★
	Good Time Living Center-Minami・Platesia Center-Minami			★★★★★
	Sunny Life Chofu			★★★★★
	Ishinkan Kamiooka			★★★★★
	PLAISANT GRAND MINAMI YUKIGAYA			★★★★
	Sunny Life Hiyoshi			★★★★
	As Heim Tsunashima			★★★
	Aira no mori Edogawa-Shinozaki			★★
	Charm Premier Kamakurayama			★★
	Library Shin-Shibamata			★★
	Alpha Living Takamatsu Konyamachi			★★
	Good Time Living Nagatsuta-Minamidai			★★
Total		12	2	16

Satella Kita 34jo

L-Place Esaka Ⅱ


Chijikoukanmae Tower Residence

Good Time Living Center-Minami・Platesia Center-Minami

Social Initiatives

DR

Human Resource Data for the Asset Management Company

1. Basic Data

	FY2020	FY2021	FY2022	FY2023	FY2024
Employees	127	132	118	115	126
Male	88	94	80	77	85
Females	39	38	38	38	41
Percentage of females	30.7%	28.8%	32.2%	33.0%	32.5%
(Ref.) Temporary employees	5	5	3	4	4
Male	0	0	0	0	0
Females	5	5	3	4	4
New Hires	15	10	6	13	20
Male	13	9	3	10	11
Female	2	1	3	3	9
Average years employed (years)	5.1	5.8	6.5	6.8	6.5
Male (years)	5.4	5.7	6.6	6.9	6.9
Female (years)	4.6	6.1	6.4	6.7	5.7
Departures	3	3	3	12	4
Rate of departure	2.7%	2.4%	2.6%	11.4%	3.5%
Secondments from Daiwa Securities Group	28	28	28	27	26

2. Diversity Promotion

	FY2020	FY2021	FY2022	FY2023	FY2024
Number of directors (Including part-time)	7	6	7	7	6
Male	7	6	6	6	5
Female	0	0	1	1	1
Ratio of female directors	0%	0%	14.3%	14.3%	16.7%
Number of managers	91	99	90	86	92
Male	73	82	71	66	73
Female	18	17	19	20	19
Ratio of female managers	19.8%	17.2%	21.1%	23.3%	20.7%
Number of employees in senior human resources (age over 60)	3	3	4	4	5

3. Employee Health, Safety and Comfort

	FY2020	FY2021	FY2022	FY2023	FY2024
Paid holiday usage rate	72%	77%	74%	83%	85%
Yearly paid holidays taken per person	16.6	17.8	17.0	19.0	19.5
Childcare leave takers	6	10	5	4	4
Return rate from childcare leave	100.0%	100.0%	80.0%	100.0%	100.0%
Nursing care leave takers	0	0	0	0	0
Percentage of employees who took the stress check	94.0%	94.0%	96.0%	96.0%	97.0%
Annual regular working hours	1837.5	1830.0	1837.5	1830.0	1830.0
Average monthly overtime hours per person	24.6	23.1	18.7	20.0	20.6
Number of fatal industrial accidents	0	0	0	0	0
Number of violations of labor standards	0	0	0	0	0

4. Details of Qualification Support and Training / Main Training Programs

	FY2020	FY2021	FY2022	FY2023	FY2024
Number of qualification support utilization	38	40	48	59	54
Qualification cost per person (yen/year)	6,518	5,142	8,408	4,974	7,075
Training hours per person	3.5	3.5	3.8	5.1	10.9
Training cost per person (yen)	2,403	2,705	3,250	10,939	34,715

Main training	Contents
ûdemy Business	Choose from a variety of topics including Business Analysis, ESG, Financial Accounting, Finance, IT Operations, etc.
ARK Real Estate Academy	Practical training programs for acquiring basic real estate knowledge, real estate research and transactions

- Number of employees :	Excluding temporary employees.
- Number of employees, average length of service, number of managerial positions, and number of employees taking childcare leave	Including those seconded to the parent company. Excludes employees 100% seconded to Daiwa Securities Group companies such as Daiwa Securities Realty Co. Ltd.
- Average Years of Service	Upon the merger including Japan Rental Housing Investment Corporation, employees who worked for the asset manager of Japan Rental Housing Investment Corporation will have that service counted toward their length of continuous employment in Daiwa Securities Living Investment Corporation.
- Details of qualification support and training	Figures for 2023 and beyond for each item include employees seconded to Daiwa Securities Realty Co. Ltd.

Governance Initiatives ①

DOI DLI

Status of Executive and Supervisory Directors/Criteria for Appointment

Directors are appointed by resolution of the General Meeting of Unitholders from candidates selected for the reasons given below on the condition that they do not fall under any grounds for disqualification or prohibition of entrustment provided in the Investment Trusts Act or other laws and regulations (disqualification under Article 98 and Article 100 of the Investment Trusts Act, and Article 164 of the Regulation for Enforcement of the Investment Trusts Act) or (prohibition of entrustment under Article 200 of the Investment Trusts Act and Article 244 of the Regulation for Enforcement of the Investment Trusts Act). Each board of directors is composed of persons who have no vested interest in the respective investment corporation.

DOI

Title	Name	Gender	Reasons for appointment	Attendance at board of directors meetings (Fiscal period ended November 2024)	"Attendance at board of directors meetings (Fiscal period ended May 2025)	Number of investment units of the Investment corporation held	Skill
Executive Director	Keiichi Sakai	Male	Elected as an Executive Officer based on his extensive business experience and knowledge of finance in general, as well as his appropriate judgment, personality, and insight in the execution of his duties.	4 of 4 (100.0%)	–	0	● (Corporate management)
Executive Director	Toshisuke Tanaka	Male	In recognition of his extensive knowledge of corporate management and capital markets, coupled with a wealth of professional experience, he was appointed as an Executive Officer, as it is expected that he will execute duties appropriately and effectively from a broad and well-informed perspective.	2 of 2 (100.0%)	7 of 7 (100.0%)	0	● (Corporate management)
Supervisory Director	Daisuke Eki	Male	Elected as a supervisory director based on his being well-versed in various laws and regulations as an attorney and having sufficient character and insight to supervise the execution of duties by the executive director and to perform his duties as a member of the board of directors of the fund.	6 of 6 (100.0%)	7 of 7 (100.0%)	0	—
Supervisory Director	Koichiro Ito	Male	Elected as a supervisory director based on his well versed in accounting and taxation as a certified public accountant and has sufficient character and insight to supervise the execution of the duties of the executive director and to perform his duties as a member of the board of directors of the fund.	6 of 6 (100.0%)	7 of 7 (100.0%)	0	● (Finance and accounting)

※ Effective August 27, 2024, Keiichi Sakai resigned as an executive director, and Toshisuke Tanaka assumed the position of director.

DLI

Title	Name	Gender	Reasons for appointment	Attendance at the board of directors meetings (Fiscal period ended September 2024)	Attendance at the board of directors meetings (Fiscal period ended March 2025)	Number of investment units of the Investment corporation held	Skill
Executive Director	Tetsuo Akuzawa	Male	Elected as an Executive Officer based on his extensive business experience and knowledge of finance in general, as well as his appropriate judgment, personality, and insight in the execution of his duties.	6 of 6 (100.0%)	6 of 6 (100.0%)	0	● (Corporate management)
Supervisory Director	Akimitsu Takai	Male	Elected as a supervisory director based on his being well-versed in various laws and regulations as an attorney and having sufficient character and insight to supervise the execution of duties by the executive director and to perform his duties as a member of the board of directors of the Fund.	6 of 6 (100.0%)	6 of 6 (100.0%)	0	—
Supervisory Director	Chizuko Nakata	Female	Elected as a supervisory director based on her being well-versed in accounting and taxation as a certified public accountant and having sufficient character and insight to supervise the execution of the duties of the executive director and to perform his duties as a member of the board of directors of the fund.	6 of 6 (100.0%)	6 of 6 (100.0%)	0	● (Finance and accounting)

※1 Please refer to the website of each investment corporation for the main biographies of each executive director and supervisory director. The term of office of executive directors and supervisory directors is stipulated as two years from their assumption of office in the Articles of Incorporation.
※2 In accordance with the rules for the management of insider trading, etc., directors and executive officers of the investment corporation are not allowed to buy or sell investment units issued by the investment corporation.
※3 The number of investment units held is as of March 31, 2025.
※4 Each skill is circled in the MSCI Skills Matrix, where the expertise of each director's work experience is evaluated

Governance Initiatives ②

DOI DLI

Directors' Compensation / Concurrent Positions DOI

DOI's Articles of Incorporation stipulate that the maximum amount of remuneration for executive directors and supervisory directors shall be 800,000 yen per month per person and 500,000 yen per month per person, respectively, as determined by the Board of Directors. A resolution of the general meeting of unitholders is required for any change entrustment provided in the Investment Trusts Act or other laws and regulations (disqualification under Article 98 and Article 100 of the Investment Trusts Act, and Article 164 of the Regulation for Enforcement of the Investment Trusts Act) or (prohibition of entrustment under Article 200 of the Investment Trusts Act and Article 244 of the Regulation for Enforcement of the Investment Trusts Act). Each board of directors is composed of persons who have no vested interest in the respective investment corporation.

(Fiscal Period ended May 2024)

(Unit : thousand yen)

Title	Name	Concurrent positions	Total compensation or positioning for this Period
Executive Director	Keiichi Sakai	–	3,000
Supervisory Director	Daisuke Eki	Attorney at Ishii Law Office	4,200
	Koichiro Ito	- Representative of Ito International Accounting and Taxation Office - Auditor of VISITS Technologies Inc. - Director of ACT Holdings, Inc. - Auditor of Jibannet Holdings - Auditor of moi Corporation - Outside Director, Audit and Supervisory Committee Member of e-Seikatsu Co., Ltd	

(Fiscal Period ended November 2024)

(Unit : thousand yen)

Title	Name	Concurrent positions	Total compensation or positioning for this Period
Executive Director	Keiichi Sakai	–	3,000
	Toshisuke Tanaka	–	
Supervisory Director	Daisuke Eki	Attorney at Ishii Law Office	4,200
	Koichiro Ito	- Representative of the Ito International Accounting and Taxation Office - Director of VISITS Technologies Inc. - Director of ACT Holdings, Inc. - Auditor of Jibannet Holdings - Auditor of moi Corporation - Outside Director, Audit and Supervisory Committee Member of e-Seikatsu Co., Ltd - Auditor of 3-D Matrix Corporation	

※ The principal concurrent positions held by Keiichi Sakai are listed as of the time of his resignation.

Accounting Auditor Compensation DOI

DOI's Articles of Incorporation stipulate that the standard for payment of remuneration for the accounting auditor of DOI shall be up to 20 million yen for each fiscal period subject to audit, an amount to be determined by the Board of Directors. A resolution of the general meeting of unitholders is required to change the standard.

(Unit : thousand yen)

Name	Description of compensation	Total compensation (Fiscal period ended May 2024)	Total compensation (Fiscal period ended November 2024)
KPMG AZSA LLC	Compensation based on auditing duties	16,275	18,275

Directors' Compensation / Concurrent Positions DLI

DLI's Articles of Incorporation stipulate that the maximum amount of remuneration for executive directors and supervisory directors shall be 800,000 yen per month per person and 500,000 yen per month per person, respectively, as determined by the Board of Directors. A resolution of the general meeting of unitholders is required for any change.

(Fiscal Period ended September 2024)

(Unit : thousand yen)

Title	Name	Concurrent positions	Total compensation or positioning for this Period
Executive Director	Tetsuo Akuzawa	–	3,000
Supervisory Director	Akimitsu Takai	- Representative of Takai Law Office - Auditor of Japan Cycle Co., Ltd. - Outside Auditor of Take and Give Needs Co., Ltd. - Outside Auditor of NEW ART HOLDINGS Co., Ltd. - Outside Director (Audit and Supervisory Committee Member) of Kojima Co., Ltd. - Outside Director of Noda Corporation- Auditor	3,000
	Chizuko Nakata	- Registered as a certified public accountant, Representative of Nakata CPA Firm - Representative Director of Nakata Business Consulting Co., Ltd. - Outside Director (Audit & Supervisory Committee Member) of Nihon Nohyaku Co., Ltd.	

(Fiscal Period ended March 2025)

(Unit : thousand yen)

Title	Name	Concurrent positions	Total compensation or positioning for this Period
Executive Director	Tetsuo Akuzawa	–	3,000
Supervisory Director	Akimitsu Takai	- Representative of Takai Law Office - Auditor of Japan Cycle Co., Ltd. - Outside Auditor of Take and Give Needs Co., Ltd. - Outside Auditor of NEW ART HOLDINGS Co., Ltd. - Outside Director (Audit and Supervisory Committee Member) of Kojima Co., Ltd. - Outside Director of Noda Corporation	3,000
	Chizuko Nakata	- Registered as a certified public accountant, Representative of Nakata CPA Firm - Representative Director of Nakata Business Consulting Co., Ltd. - Outside Director (Audit & Supervisory Committee Member) of Nihon Nohyaku Co., Ltd.	

Accounting Auditor Compensation DLI

DLI's Articles of Incorporation stipulate that the standard for payment of remuneration for the accounting auditor of DOI shall be up to 30 million yen for each fiscal period subject to audit, an amount to be determined by the Board of Directors. A resolution of the general meeting of unitholders is required to change the standard.

(Unit : thousand yen)

Name	Description of compensation	Total compensation (Fiscal period ended September 2024)	Total compensation (Fiscal period ended March 2025)
Grant Thornton Taiyo LLC	Compensation based on auditing duties	15,000	15,000

※ For details regarding the remuneration of executive officers and accounting auditors during the most recent fiscal period, please refer to the relevant section of the Asset Management Report as indicated. (Relevant section: I. Asset Management Report > (2) Overview of the Investment Corporation > (3) Information on Officers, etc.)

Governance Initiatives ③

DOI DLI DR

Compensation Structure of Each Investment Corporation

DOI

Classification	Basis of the calculation	Fee rate
Management Fee Ⅰ (Based on assets under management)	Total appraisal value of assets under management (based on market value)	0.05%
Management Fee Ⅱ (Rent revenue standard)	Rent revenue	5.5%
Management Fee Ⅲ (Based on distributable amount)	Distributable amount	3.5%
Management Fee Ⅳ (Asset acquisition standard)	Acquisition price of the target real estate	0.75%
Management Fee Ⅴ (Asset sale standard)	Transfer price of the target real estate	0.5%

(As of November 30, 2024)

DLI

Classification	Basis of the calculation	Fee rate
Management Fee Ⅰ	Total asset value	0.2% (annual)
Management Fee Ⅱ	Income before tax	8.0%
Acquisition Fee	Acquisition price	【Rental housing】1.0% 【Healthcare】 1.5%
Transfer Fee	Transfer price	0.5%
Merger Fee	Succeeded asset value	1.0%

(As of March 31, 2025)

Same-boat Investment in each Investment Corporation by the Sponsor

Each Investment Corporation aims to increase unitholder value by aligning the interests of unitholders of each investment corporation with the interests of the sponsor, Daiwa Securities Group.

DOI

Classification	Number of units	Holding ratio
Daiwa Investment Management Inc.	257,810 unites	27.24%
Daiwa Securities Group Inc.	134,642 unites	14.23%

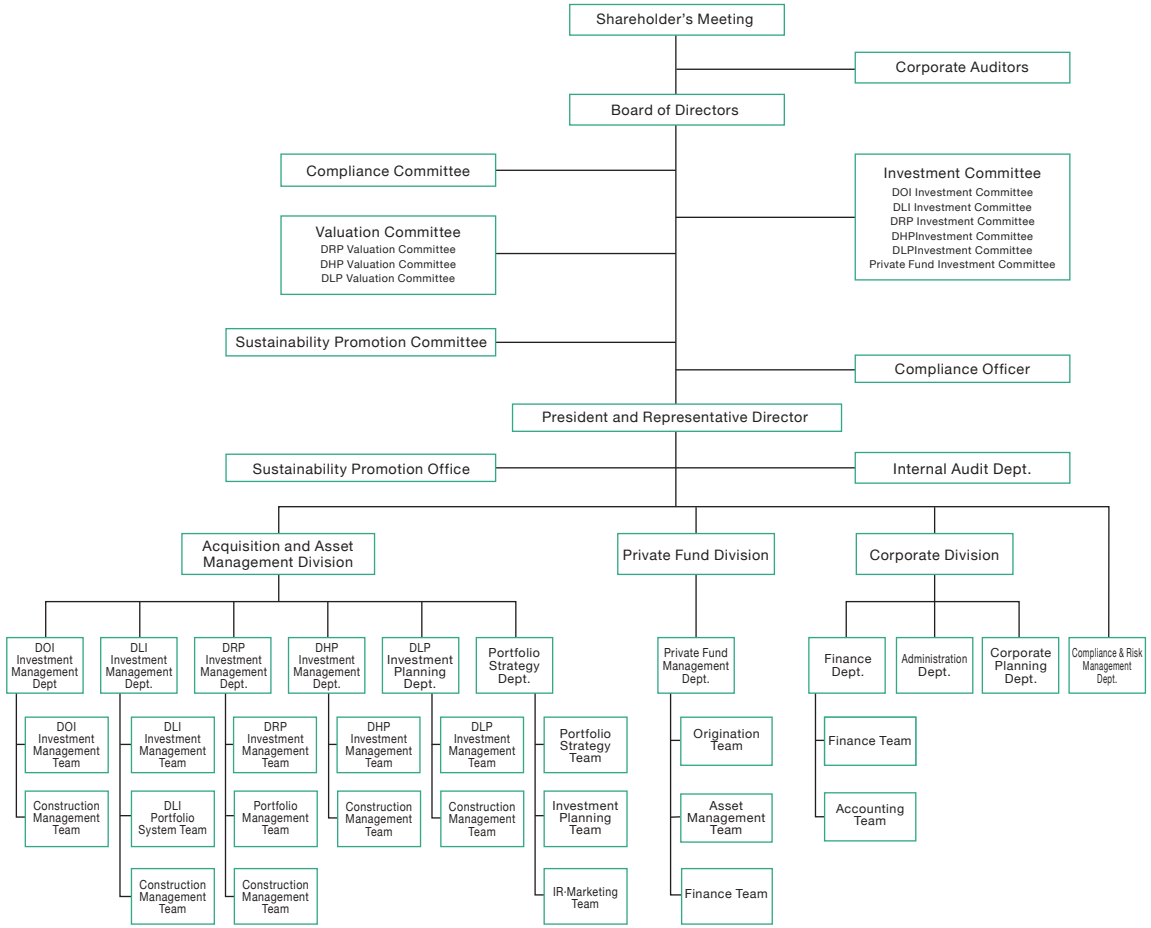
(As of November 30, 2024)

DLI

Classification	Number of units	Holding ratio
Daiwa Securities Group Inc.	378,707 unites	15.73%
Good Time Living Co.Ltd.	10,853 unites	0.45%

(As of March 31, 2025)

Investment Corporation Management Structure



Status of Response to Political Contribution Risk, Bribery, and Anti-Corruption

	FY2022	FY2023	FY2024
Total amount of political donations	0	0	0
No. of cases of exposure related to fraud and corruption	0	0	0
No. of cases of punishment/dismissal related to fraud and corruption	0	0	0
Reconciliation cost of penalties/punishment related to fraud and corruption	0	0	0

Sustainability Report 2025

Daiwa Office Investment Corporation　Daiwa Securities Living Investment Corporation　Daiwa Securities Logistics Private Investment Corporation

Daiwa Real Estate Asset Management Co.Ltd. (Asset Management Company)