

## Press Release

Issuer of Real Estate Investment Trust Securities

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## Notice of Introduction of Green Lease

**Tokyo, May 20, 2022** – Mori Trust Sogo Reit, Inc. (MTR) announced its introduction of a green lease in the Osaki MT Building (hereinafter "the Property") it owns.

### 1. Overview of Green Lease

MTR has introduced an initiative where MTR will install LED lighting equipment in the exclusive areas used by tenants at its expense, while a portion of the installation costs will be returned to MTR as green lease payments from the tenants. This initiative will promote the reduction of energy consumption and greenhouse gas emissions in the Property and help both MTR and tenants benefit economically from the reduced electricity charges.

The Property is leased by MTR to MORI TRUST CO., LTD. (hereinafter "the Lessee") in its entirety and subleased by the Lessee to each sublessee (each tenant), so MTR will receive green lease payments through the Lessee.

Subject property	Osaki MT Building
Details of renovation work	Lighting equipment in a portion (1,691.94 m <sup>2</sup> ) of the exclusive areas will be changed from fluorescent to LED lighting.
Bearing of costs	MTR will bear the costs for installing the LEDs (equivalent to its equity interest).
Reduction in electricity consumption	Electricity consumption is estimated to be reduced by around 70% following the installation of the LEDs.
Green lease payments	Green lease payments are calculated based on electricity charges of the tenants that will be reduced by the renovation (a certain amount will be added to the monthly rent under the lease agreement).

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(Note) A green lease is a lease where building owners and tenants collaborate to reach a voluntary agreement regarding the conservation of energy and other environmental burdens involved in real estate as well as the improvement of the indoor environments through contracts, memorandums of understanding (MOU) and similar agreements and the implementation of the contents of these agreements.

At this time, MTR will introduce an initiative (green lease with renovation) where the tenants will return financial benefits to the building owner when the benefits of energy saving renovation investment made by the building owner are attributable to the tenants.

## 2. Future Initiatives

MTR and Mori Trust Asset Management Co., Ltd., the asset manager of MTR, believe that initiatives to enhance sustainability in the asset management business, including environmentally friendliness, contribution to society, and the enhancement of governance, are indispensable for enhancing unitholder value. As such, it will continue to pursue initiatives that take the environment, society and governance into consideration.

Please refer to the following link for details of the ESG initiatives of MTR.

<https://www.mt-reit.jp/en/esg/index.html>

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