

DISCLAIMER

This document has been prepared solely for the purpose of providing U.K. and Dutch investors with certain information under Article 23 of the European Alternative Investment Fund Managers Directive (European Directive 2011/61/EU) (the “AIFMD”) as implemented in their respective jurisdictions. Accordingly, you should not use this document for any other purpose.

Netherlands

The units of NIPPON REIT Investment Corporation (“NIPPON REIT” or the “AIF”) are being marketed in the Netherlands in accordance with Section 1:13b of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, or the “Wft”). In accordance with this provision, SBI REIT Advisors Co., Ltd. (the “AIFM”) has submitted a notification with the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*, the “AFM”) of its intention to offer these units in the Netherlands. The units of NIPPON REIT will not, directly or indirectly, be offered, sold, transferred or delivered in the Netherlands, except to or by individuals or entities that qualify as qualified investors (*gekwalficeerde beleggers*) within the meaning of Article 1:1 of the Wft. As a consequence, neither the AIFM nor NIPPON REIT is subject to the license requirement for investment institutions (*beleggingsinstellingen*) or their managers pursuant to the Wft. Consequently, the AIFM and NIPPON REIT are only subject to the supervision of the AFM and the Dutch Central Bank (*De Nederlandsche Bank*) for the compliance with the ongoing regulatory requirements as referred to in the Dutch law implementation of Article 42 of the AIFMD. This Article 23 AIFMD prospectus is not subject to approval by the AFM. No approved prospectus is required to be published in the Netherlands pursuant to Article 3 of the Regulation (EU) 2017/1129, as amended and applicable in the Netherlands.

United Kingdom

The units of NIPPON REIT are being marketed in the United Kingdom pursuant to Article 59 of the United Kingdom Alternative Investment Fund Managers Regulations 2013. In accordance with this provision, the AIFM has notified the Financial Conduct Authority (the “FCA”) of its intention to offer these units in the United Kingdom. For the purposes of the United Kingdom Financial Services and Markets Act 2000 (“FSMA”), NIPPON REIT is an unregulated collective investment scheme which has not been authorized by the FCA. Accordingly, any communication of an invitation or inducement to invest in NIPPON REIT may only be made to (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”); or (ii) high net worth companies falling within Articles 49(2)(a) to (d) of the Order and other persons to whom it may lawfully be communicated (all such persons referred to under (i) and (ii) of this paragraph, together being referred to as “Relevant Persons”).

In the United Kingdom, this document and its contents are directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. The transmission of this document and its contents in the United Kingdom to any person other than a Relevant Person is unauthorized and may contravene the FSMA and other United Kingdom securities laws and regulations.

Prohibition of Sales to UK Retail Investors

In addition to the restrictions under the AIFMD, as retained by the United Kingdom in its domestic laws, the units of NIPPON REIT are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes of this provision, a “retail investor” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129, as it forms part of domestic law by virtue of the EUWA; and the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the units to be offered so as to enable an investor to decide to purchase or subscribe the units.

Consequently no key information document required by Regulation (EU) 1286/2014, as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”), for offering or selling the units of NIPPON REIT or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the units or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

European Economic Area

In addition to restrictions under the AIFMD, the units of NIPPON REIT are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended, (“MiFID II”), including any client, beneficiary, principal, or similar of any person acting as a trustee, agent, nominee, or similar; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Regulation (EU) 2017/1129, as amended. Consequently, no key information document required by Regulation (EU) 1286/2014 (the “PRIIPs Regulation”) for offering or selling the units of NIPPON REIT or otherwise making them available to retail investors in the EEA has been prepared. Therefore, offering or selling the units of NIPPON REIT or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Article 23 (1)(a)	
Objectives of the AIF	<p>NIPPON REIT Investment Corporation (“NIPPON REIT” or the “AIF”) seeks to achieve income growth and stability by developing a diversified portfolio of primarily office properties, as well as selective residential , retail properties and properties for other purposes, through flexible and timely investments. By making investments in assets that have different return characteristics, NIPPON REIT seeks to diversify risks and maximize acquisition opportunities that may arise from future trends in the Japanese economy and real estate market.</p>
Investment strategy	<p>NIPPON REIT aims to maximize unitholder value by constructing a portfolio focusing on income growth and stability. NIPPON REIT seeks to develop a comprehensive portfolio of properties investing primarily in office properties but also making selective investments in residential properties , retail properties and properties for other purposes, in order to diversify risks by combining assets that have different return characteristics, while trying to secure a large number of proper acquisition opportunities in consideration of the future trends of the Japanese economy and the real estate market. In developing such comprehensive portfolio, NIPPON REIT seeks to maximize unitholder value by making investments which NIPPON REIT believes to be the most appropriate at any given time after taking into consideration the investment characteristics of each property type, market trends and other external factors. The investments will be made based on what NIPPON REIT considers optimal, based on various external factors. However, the portfolio composition policy, including the targeted investment ratio, may be changed by resolution at a general meeting of unitholders.</p> <p><i>Office properties:</i> In investing in office properties, NIPPON REIT focuses on the six central wards of Tokyo which NIPPON REIT believes have solid tenant demand due to the high concentration of corporations, thus enabling NIPPON REIT to secure revenue growth.</p> <p><i>Residential properties:</i> In order to secure stable revenues, NIPPON REIT seeks to diversify geographic areas when investing in residential properties with a focus on the three major metropolitan areas, which NIPPON REIT expects will continue to have a large population and thus high demand for rental residential properties. NIPPON REIT also makes selective investments in residential properties located in certain ordinance-designated and other cities.</p> <p><i>Retail properties and other properties:</i> NIPPON REIT makes selective investments in retail properties and other properties which are located in densely-populated areas such as the three major metropolitan areas and major cities throughout Japan, including ordinance-designated cities and peripheral areas thereof for retail facilities and other properties</p>

	<p>where NIPPON REIT can expect stable sales and solid tenant demand, with a view to revenue stability and growth.</p> <p>It is NIPPON REIT's policy that 50% or more of the total portfolio by acquisition price will consist of office properties, that 50% or less of the total portfolio by acquisition price will consist of residential properties and that 20% or less of the total portfolio by acquisition price will consist of retail properties and other properties.</p>
Types of assets the AIF may invest in	Real estate, leasehold rights, surface rights, trust beneficiary interests in real estate, equity interests in Japanese anonymous associations ("TKs"), real estate securities, specified assets and other assets.
Techniques it may employ and all associated risks	<p>NIPPON REIT invests primarily in office properties, and also makes selective investments in residential , retail, and other properties, with the aim of achieving income growth and stability.</p> <p>The principal risks with respect to investment in NIPPON REIT are as follows :</p> <p><i>Property and Business Risks</i></p> <ul style="list-style-type: none"> • Any adverse conditions in the Japanese economy, including the sharp rise in energy and other commodity prices, the impact of outbreak and spread of infectious diseases , and the recent weakness of the yen against the U.S. dollar and other major currencies could adversely affect NIPPON REIT. • NIPPON REIT may not be able to acquire properties to execute its growth and investment strategy in a manner that is accretive to earnings. • The geographic concentration of NIPPON REIT's portfolio in the six central wards of Tokyo could have a material adverse effect on its business. • The high proportion of office properties in NIPPON REIT's portfolio could have a material adverse effect on its business. • Competition for tenants may adversely affect NIPPON REIT's ability to retain its current tenants, find new tenants, and achieve favorable rents. • Effects of tightening monetary policies by the United States, Japan and other major countries may result in increased market interest rates in Japan and reduced cash distributions to NIPPON REIT's unitholders • Increases in prevailing market interest rates may increase NIPPON REIT's interest expense and may result in a decline in the market price of its units. • NIPPON REIT may suffer large losses if any of its properties incur damage from a natural or man-made disaster. • NIPPON REIT's reliance on its sponsors could have a material adverse effect on its business.

- NIPPON REIT may incur unexpected expenses, expenditures or other losses for repair or maintenance of its properties.
- NIPPON REIT may be strictly liable for any unforeseen loss, damage, or injury suffered by a third party at its properties and disputes with neighbors may expose it to unexpected liabilities.
- NIPPON REIT may suffer adverse consequences if its rental revenues decline because a substantial part of its operating expenses are fixed.
- Illiquidity in the real estate market may limit NIPPON REIT's ability to grow or adjust its portfolio.
- Entering into forward commitment contracts may expose NIPPON REIT to contractual penalties and market risks.
- Defects relating to NIPPON REIT's properties may adversely affect its financial condition and results of operations.
- NIPPON REIT relies on experts for appraisals and engineering, environmental, seismic, and other reports, which are subject to significant uncertainties.
- NIPPON REIT relies on industry and market data that is subject to significant uncertainties.
- The environmental assessments of NIPPON REIT's properties made prior to its acquisition may not have uncovered all environmental liabilities, and Japanese laws subject property owners to strict environmental liability.
- NIPPON REIT may lose rental revenues in the event of lease terminations, decreased lease renewals, default by tenants on their obligation to pay rent, or rent reductions.
- Any of the buildings NIPPON REIT owns may violate earthquake resistance or other building codes.
- Master lease agreements expose NIPPON REIT to the risk of becoming an unsecured creditor of its master lessees in the event of their insolvency and certain other risks.
- Any restrictions on NIPPON REIT's activities under its financing arrangements could adversely affect us.
- A high loan-to-value, or LTV, ratio may increase NIPPON REIT's exposure to changes in interest rates and have a material adverse effect on the results of its operations.
- NIPPON REIT may suffer impairment losses relating to its properties and may also suffer adverse tax effects upon recognizing impairments.
- A downgrading of NIPPON REIT's credit ratings may negatively affect the price of its units.
- NIPPON REIT's investments in TKs carry potential risks.

- NIPPON REIT may hold interests in properties through investing in preferred securities of specific-purpose companies and such investments are subject to certain risks.
- NIPPON REIT's financial statements are prepared in accordance with Japanese GAAP, which differs in certain material respects from IFRS, U.S. GAAP, and generally accepted accounting principles and financial reporting standards in other jurisdictions.
- Decreases in tenant security deposits in trust may increase NIPPON REIT's funding costs.

Management and Governance Risks

- NIPPON REIT's success depends on the performances of service providers to which it is required to assign various key functions.
- There are potential conflicts of interest between NIPPON REIT and certain group companies of the sponsors including SBI REIT Advisors Co., Ltd. (the "Asset Manager" or the "AIFM").
- NIPPON REIT's performance depends on the efforts of key personnel of the Asset Manager.
- Unitholders have limited control over NIPPON REIT's investment policies.
- J-REITs and their asset managers are subject to strict supervision by the regulatory authorities.
- There are important differences regarding the rights of unitholders in a J-REIT compared to those of shareholders in a corporation.

Taxation Risks

- NIPPON REIT's failure to satisfy a complex series of requirements pursuant to Japanese tax regulations would disqualify NIPPON REIT from certain taxation benefits and significantly reduce its cash distributions to its unitholders.
- If the Japanese tax authorities disagree with the interpretations of the Japanese tax laws and regulations NIPPON REIT used for prior periods, NIPPON REIT may be forced to pay additional taxes for those periods.
- NIPPON REIT may not be able to benefit from reductions in certain real estate taxes enjoyed by qualified J-REITs.
- Changes in Japanese tax laws may significantly increase NIPPON REIT's tax burden.
- NIPPON REIT expects to be treated as a "passive foreign investment company" for U.S. federal income tax purposes.
- Unitholders may be subject to U.S. Foreign Account Tax Compliance Act (FATCA) withholding tax after 2018.

	<p><i>Legal and Regulatory Risks</i></p> <ul style="list-style-type: none"> • NIPPON REIT's ownership rights in some of its properties may be declared invalid or limited. • NIPPON REIT may lose its rights in a property it owns if the purchase of the property is recharacterized as a secured financing. • NIPPON REIT's leasehold or sub-leasehold rights in underlying land may be terminated or may not be asserted against a third party in some cases. • Properties for which third parties hold leasehold interests in the land and own the buildings on such land may subject NIPPON REIT to various risks. • Some of NIPPON REIT's properties are in the form of stratified ownership interests (<i>kubun shoyu-ken</i>) and its rights relating to such properties may be affected by the intentions of other owners. • Some of NIPPON REIT's properties are in the form of property co-ownership (<i>kyoyu</i>) and quasi co-ownership (<i>jun kyoyu</i>) interests and its rights relating to such properties may be affected by the intentions of other owners. • NIPPON REIT's properties may be subject to preferential purchase rights, rights of first refusal, or other similar rights held by third parties. • Tax increases or adverse changes in applicable laws may affect NIPPON REIT's potential liabilities relating to its properties and operations. • The cost of complying with regulations applicable to the properties in NIPPON REIT's portfolio could adversely affect the results of its operations. • NIPPON REIT owns substantially all of the properties in its portfolio through trust beneficiary interests and may suffer losses as a trust beneficiary. • The Alternative Investment Fund Managers Directive (AIFMD) may negatively affect NIPPON REIT's ability to market its units in the EEA and increase its compliance costs associated with the marketing of its units in the EEA. • NIPPON REIT's units may be deemed to constitute "plan assets" for ERISA purposes, which may lead to the rescission of certain transactions, tax or fiduciary liability, and NIPPON REIT being held in violation of ERISA requirements.
Any applicable investment restrictions	<p>NIPPON REIT is subject to investment restrictions under Japanese laws and regulations (e.g., the Act on Investment Trusts and Investment Corporations (the "ITA"), the Financial Instruments and Exchange Act (the "FIEA")) as well as its articles of incorporation.</p> <p>NIPPON REIT must invest primarily in specified assets as defined in the ITA. Specified assets include, but are not limited to, securities, real estate, leaseholds of real estate, surface rights of land (<i>chijō-ken</i>) (i.e., right to use land for the purpose of having a structure on it) or trust beneficiary interests in these assets.</p>

	<p>A listed J-REIT must invest substantially all of its assets in real estate, real estate-related assets, including real estate securities, and liquid assets as provided by the listing requirements. Real estate in this context includes, but is not limited to, real estate, leaseholds of real estate, surface rights of land, and trust beneficiary interests for these assets, and real estate-related assets in this context include, but are not limited to, TK interests for investment in real estate.</p> <p>Pursuant to the ITA, investment corporations may not independently develop land for housing or to construct buildings, but may outsource such activities in certain circumstances.</p>
Circumstances in which the AIF may use leverage	NIPPON REIT may take out loans or issue investment corporation bonds for such purposes as property acquisitions, repairs, distribution payments, working capital, repayment of obligations, including the return of tenant leasehold or security deposits or the repayment of borrowings or investment corporation bonds, or other activities.
The types and sources of leverage permitted and associated risks	<p>NIPPON REIT currently has outstanding fixed and floating rate long-term and short-term loans, all of which are unsecured and unguaranteed and have also established commitment lines with certain banks. NIPPON REIT borrows only from lenders that are qualified institutional investors as specified by the FIEA.</p> <p>Loans in which NIPPON REIT enters or investment corporation bonds that NIPPON REIT may issue may be subject to restrictive covenants in connection with any future indebtedness that may restrict operations and limit its ability to make cash distributions to unitholders, to dispose of properties or to acquire additional properties. Furthermore, if NIPPON REIT were to violate such restrictive covenants, such as with regard to certain financial ratios, lenders may be entitled to require NIPPON REIT to collateralize portfolio properties or demand that the entire outstanding balance be paid ahead of the scheduled date.</p> <p>In the event of an increase in interest rates, to the extent that NIPPON REIT has any debt with unhedged floating rates of interest or NIPPON REIT incurs new debt, interest payments may increase, which in turn could reduce the amount of cash available for distributions to unitholders. Higher interest rates may also limit the capacity for short- and long-term borrowings, which would in turn limit NIPPON REIT's ability to acquire properties, and could cause the market price of the units to decline.</p>
Any restrictions on leverage	Under its articles of incorporation, NIPPON REIT has an internal limit of ¥1 trillion on the aggregate principal amount of borrowings and investment corporation bonds outstanding.
Any restrictions on collateral and asset reuse arrangements	No applicable arrangements.

Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF	NIPPON REIT has set an upper limit of 60% as a general rule for its LTV ratio in order to operate with a stable financial condition. NIPPON REIT may, however, temporarily exceed such levels as a result of property acquisitions or other events.
Article 23(1) (b)	
Procedure by which the AIF may change its investment strategy / investment policy	<p>Amendment of the basic policies set forth in NIPPON REIT's articles of incorporation requires a quorum of a majority of the total issued units and at least a two-thirds vote of the voting rights represented at the general unitholders' meeting. Unitholders should note, however, that under the ITA and NIPPON REIT's articles of incorporation, unitholders who do not attend and exercise their voting rights at a general meeting of unitholders are deemed to have voted in favor of proposals submitted at the meeting, except in certain cases, including when contradictory proposals are being submitted and when proposals may have a significant impact on NIPPON REIT's management structure and the interest of unitholders, such as dismissal of directors and accounting auditor, revision of articles of incorporation and change of asset manager. Accordingly, unitholders who do not properly exercise their voting rights may have their votes counted in favor of the proposals submitted at the meeting, regardless of their wishes.</p> <p>In addition, the Asset Manager may amend or revise the management guidelines it has established without a vote of NIPPON REIT's unitholders to the extent permitted in NIPPON REIT's articles of incorporation.</p>
Article 23(1) (c)	
Description of the main legal implications of the contractual relationship entered into for the purpose of investment, including jurisdiction, applicable law, and the existence or not of any legal instruments providing for the recognition and enforcement of	<p>NIPPON REIT is a corporate-type investment trust in the form of investment corporation (<i>toshi hojin</i>) provided for under the ITA. Therefore, the relationship between NIPPON REIT and its unitholders is governed by NIPPON REIT's articles of incorporation (as opposed to individual agreements), which can be amended from time to time upon resolution of a general unitholders' meeting. NIPPON REIT's articles of incorporation stipulate rules relating to general unitholders' meetings, including the convocation, setting of record date, exercise of voting rights, resolutions and election of NIPPON REIT's officers.</p> <p>The relationship between NIPPON REIT and its unitholders is also governed by, and is subject to the provisions of, Japanese law, including the ITA.</p> <p>The courts in Japan would recognize as a valid judgment any final and conclusive civil judgment for monetary claims (which, for this purpose, are limited to those of a purely civil nature and do not include monetary claims of the nature of criminal or administrative sanction, such as punitive damages, even though they take the form of civil claims) against NIPPON REIT obtained in a foreign court provided that (i) the jurisdiction of such foreign court is admitted under the laws of Japan, (ii) NIPPON REIT has received service of process</p>

judgments in the territory where the AIF is established	<p>for the commencement of the relevant proceedings, otherwise than by a public notice or any method comparable thereto, or has appeared without any reservation before such foreign court, (iii) neither such judgment nor the relevant proceeding is repugnant to public policy as applied in Japan, (iv) there exists reciprocity as to the recognition by such foreign court of a final judgment obtained in a Japanese court and (v) there is no conflicting judgement on the subject matter by any Japanese court.</p> <p>NIPPON REIT has entered into sponsor support agreements with SBI Financial Services Co., Ltd., Cushman & Wakefield Asset Management K.K. and Agility Holdings Inc. (collectively, the “Sponsors”), respectively, to receive a wide range of business support and assistance, including preferential negotiation rights to purchase properties. Under the sponsor support agreements, the Sponsors may also provide property acquisition opportunities through formation of bridge funds.</p> <p>On October 11, 2022, Sojitz Corporation agreed to transfer (1) all of the investment units of NIPPON REIT it held to SBI Holdings, Inc., and (2) all of the shares of the Asset Manager it held to SBI Financial Services Co., Ltd. (the “New Sponsor”). The share transfers have completed on November 30, 2022. Following the completion of the share transfers, Sojitz Corporation terminated the existed sponsor agreement with NIPPON REIT, and the Asset Manager was renamed as SBI REIT Advisors Co., Ltd. In addition, the New Sponsor has entered into a sponsor support agreement with NIPPON REIT, which have substantially similar terms and provisions, providing NIPPON REIT with substantially similar level of business support and assistance, including preferential negotiation rights to purchase properties and property acquisition opportunities through formation of bridge funds.</p> <p>NIPPON REIT has also entered into the following agreements with Mitsubishi UFJ Trust and Banking Corporation, a third-party service provider:</p> <ul style="list-style-type: none"> • An asset custodian agreement regarding NIPPON REIT’s assets; • A transfer agent agreement regarding the units; and • A general administrative agreement regarding institution management and accounting. <p>The above agreements are governed by Japanese law.</p> <p>NIPPON REIT is not involved in or threatened by any legal arbitration, administrative or other proceedings, the results of which might, individually or in the aggregate, be material.</p>
Article 23(1) (d)	
The identity of the AIFM, AIF’s depositary, auditor	<ul style="list-style-type: none"> • AIFM (Asset Manager): SBI REIT Advisors Co., Ltd. <p>On October 11, 2022, Sojitz Corporation, the parent company of Sojitz REIT Advisors K.K., agreed to transfer all of the shares of Sojitz REIT Advisors K.K. it held to SBI Financial</p>

and any other service providers and a description of their duties and the investors' rights thereto	<p>Services Co., Ltd. On November 30, 2022, the transfer of the shares of Sojitz REIT Advisors K.K. was completed, and Sojitz REIT Advisors K.K. was renamed as “SBI REIT Advisors Co., Ltd.”</p> <ul style="list-style-type: none"> • Independent Auditor: KPMG AZSA LLC • Asset Custodian: Mitsubishi UFJ Trust and Banking Corporation • General Administrative Agent: Mitsubishi UFJ Trust and Banking Corporation • Transfer Agent: Mitsubishi UFJ Trust and Banking Corporation • General Administrative Agent (with respect to investment corporation bonds): MUFG Bank, Ltd. <p>Service providers owe contractual obligations under their respective agreements with the AIF or AIFM, as the case may be. In addition, the FIEA provides that an asset manager owes a J-REIT a fiduciary duty and must conduct its activities as the asset manager in good faith. The FIEA also prohibits an asset manager from engaging in certain specified conduct, including entering into transactions outside the ordinary course of business or with related parties of the asset manager that are contrary to or violate the J-REIT’s interests. Pursuant to the ITA, the unitholders have the right to approve the execution or termination of the asset management agreement at a general meeting of unitholders.</p>
Article 23(1) (e)	
Description of how the AIFM complies with the requirements to cover professional liability risks (own funds / professional indemnity insurance)	Not applicable.
Article 23(1) (f)	
Description of any delegated management function such as portfolio management or risk management and of any safekeeping function delegated	Not applicable. There is no delegation of such functions beyond the AIFM, which is responsible for portfolio and risk management, and the asset custodian, which is responsible for safekeeping activities.

by the depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations	
Article 23(1) (g)	
Description of the AIF's valuation procedure and pricing methodology, including the methods used in valuing hard-to- value assets	<p>NIPPON REIT values assets pursuant to the Ordinance on Accountings of Investment Corporations and J-REIT rules of the Investment Trusts Association, Japan, or in accordance with generally accepted accounting principles in Japan applicable to J-REITs. The particular asset valuation methods and standards to be used depend on the type of asset.</p> <p>J-REITs may only use the valuation methods prescribed in the rules of the Investment Trusts Association, Japan, which emphasize market price-based valuation.</p> <p>NIPPON REIT values hard-to-value assets, such as equity interests in TKs and beneficiary interest in trusts of money principally invested in TKs, differently depending on the asset, but pursuant to the valuation rules of the Investment Trusts Association, Japan or in accordance with generally accepted accounting principles in Japan applicable to J-REITs.</p>
Article 23(1) (h)	
Description of the AIF's liquidity risk management, including redemption rights in normal and exceptional circumstances and existing redemption arrangements with investors	<p>Net cash provided by operating activities constitutes NIPPON REIT's primary source of liquidity to fund distributions, interest payments on loans payable, fees to the Asset Manager and other service providers, property-related taxes, repairs and maintenance, and capital expenditures for its properties in the ordinary course of business. However, NIPPON REIT's ability to use cash flows from operations to finance property acquisitions is severely limited because NIPPON REIT is generally required to distribute in excess of 90% of its distributable profit, calculated in accordance with the Special Taxation Measures Act of Japan, for each fiscal period to its unitholders. Therefore, NIPPON REIT's financing for acquisitions depends primarily on outside financing, including loans and equity offerings.</p> <p>NIPPON REIT controls liquidity-related risks by aiming to maintain its LTV ratio at a level of between 45-55% for the foreseeable future. When procuring new loans, NIPPON REIT generally seeks long-term fixed borrowings and to diversify maturity dates in order to maintain financial stability and to prepare for any sudden downturn in the financial environment.</p> <p>Because NIPPON REIT is a closed-end investment corporation, unitholders are not entitled to request the redemption of their investment.</p>
Article 23(1) (i)	

<p>Description of all fees, charges and expenses and a maximum amount which is directly / indirectly borne by the investors</p>	<p><u>Directors' Compensation</u>: NIPPON REIT currently pays compensation to supervising officers on a monthly basis pursuant to its articles of incorporation. Such monthly compensation is determined by NIPPON REIT's board of officers, but in no event may exceed ¥500,000 for each supervising officer. NIPPON REIT's articles of incorporation also permit the payment of monthly compensation to each executive officer up to ¥800,000.</p> <p><u>Asset Management Fee</u>: NIPPON REIT pays the AIFM an asset management fee as follows:</p> <ul style="list-style-type: none"> • Type 1 Management Fee – NIPPON REIT pays to the Asset Manager a type 1 asset-based fee up to 0.35% of the amount of total assets as presented on the balance sheet as of the end of the immediately preceding fiscal period on an annualized basis, based on the number of days in that calculation period and on a 365-day year basis, and rounded down to the nearest yen. Half of the Type 1 management fee is payable within three months after the end of the immediately preceding fiscal period and the remaining amount is payable by the end of each fiscal period. • Type 2 Management Fee – NIPPON REIT pays to the Asset Manager a performance-based type 2 management fee for each fiscal period. The type 2 management fee for a given fiscal period is calculated based on the following formula: <p style="padding-left: 40px;">Type 2 management fee = NOI * DPU volatility * 2.5% (maximum rate)</p> <p>For purposes of the calculation of the type 2 management fee, "NOI" refers to net operating income, which is the total rental and other operating revenues, except for gains and losses on sales of property, earned during the fiscal period, less property-related expenses (excluding depreciation expenses and loss on retirement of fixed assets); and "DPU volatility" is calculated by the following formula:</p> <p style="padding-left: 40px;">DPU volatility = ((Adjusted distributions per unit for the relevant fiscal period – Adjusted distributions per unit for the immediately preceding fiscal period) / (Adjusted distributions per unit for the immediately preceding fiscal period)) + 1</p> <p>However, when the adjusted distributions per unit for the immediately preceding fiscal period is zero, the DPU volatility is deemed to be 1. Moreover, when the DPU volatility for the immediately preceding fiscal period was 0.75 or less and the DPU volatility for the current fiscal period calculated by using the above formula exceeds 1, the DPU volatility is deemed to be 1.</p>
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For purposes of the calculation of DPU volatility, “Adjusted distributions per unit” is the amount obtained by dividing the distributable amount (before deducting fees and compensations) for the relevant fiscal period by the number of investment units issued and outstanding as of the settlement date for the fiscal period (rounded down to the nearest one yen). “Distributable amount (before deducting fees and compensations)” is the amount of income before income taxes for the fiscal period calculated in accordance with the accounting practices generally accepted in Japan, provided that the type 2 management fee, gain or loss on sale of specified assets, consumption tax not subject to deductions are not added to or subtracted from the amount.

In the following cases, the type 2 management fee shall be adjusted as follows:

- i. If NIPPON REIT repurchases its units that are not disposed of and cancelled during the fiscal period during which the repurchases are made, the number of investment units issued and outstanding as of the settlement date for the fiscal period will be adjusted by reducing the total number of outstanding units in the fiscal period by the number of units owned by NIPPON REIT to calculate “Adjusted distributions per unit”.
- ii. If NIPPON REIT’s units are split and the total number of units outstanding increases, “Adjusted distributions per unit” will be adjusted by multiplying it by the split ratio (as defined below) to calculate the DPU volatility in the fiscal period during which the split became effective.

Split ratio:

The split ratio is the percentage obtained by dividing the number of units outstanding immediately after the split is effective by the number of units outstanding immediately before the split becomes effective.

- iii. If a rights offering (note 1) takes place and the total number of units outstanding increases, “Adjusted distributions per unit” will be adjusted by multiplying it by the allotment rate (note 2) to calculate the DPU volatility in the fiscal period in which the exercise for the subscription rights becomes effective.

Note 1:

A rights offering means the allotment to unitholders for no consideration unit subscription rights for new units.

Note 2:

The allotment rate is the percentage calculated as follows:

$$\text{Allotment rate} = A \div B$$

A: The total number of units outstanding immediately after the subscription rights are exercised following the rights offering, minus the number of units issued at a deemed market price

B: The total number of units outstanding immediately before the subscription rights are exercised following the rights offering

Note 3:

The number of units issued at a deemed market price is the increase in the number of units (note 4), multiplied by a percentage equal to the exercise price per unit divided by the market price per unit (or the percentage determined by NIPPON REIT's board of officers) (rounding to the nearest one unit).

Note 4:

The increase in the number of units is the increase in the number of units upon the exercise of the subscription rights.

The type 2 management fee is payable within three months after the end of each fiscal period.

- Acquisition Fee – For each new property that NIPPON REIT acquires, the Asset Manager receives an acquisition fee up to 1.0%, or 0.5% in case of transaction with a related party, of the total acquisition price of the property (i.e., based on the purchase price, in the case of a purchase, the appraised value of the assets acquired, in the case of an exchange, and the contribution amount, in the case of contribution, excluding national and local consumption taxes and expenses for acquisition) payable within two months after such acquisition.
- Disposition Fee – For each property that NIPPON REIT disposes of, the Asset Manager receives a disposition fee to the extent there is any net profit as a result of such disposition (before deducting the disposition fee), which is up to 1.0%, or 0.5% in case of a transaction with a related party, of the disposition price (i.e., based on the sale price, in the case of a sale, and the appraised value of the assets sold, in the case of an exchange, excluding national and local consumption taxes and expenses for disposition) payable within two months after such disposition.
- Merger Fee – If (i) the Asset Manager investigates or appraises the assets of an entity that merges into NIPPON REIT through a consolidation-type merger or absorption-type merger or conducts other business related to any such merger and (ii) the merger becomes effective, the Asset Manager receives a merger fee in an amount up to 1.0% of the appraisal value of real estate equivalents and real estate backed securities held

by the entity that merges into NIPPON REIT as of the merger effective date, payable within two months after the merger effective date.

General Administration Fee:

- The amount of general administration fees payable for each calculation period is determined based on the total assets recorded on NIPPON REIT's balance sheet for the immediately preceding fiscal period up to the amount calculated using the table below, plus national and local consumption taxes:

Total Assets	Fee calculation method
¥10 billion or less	¥11,000,000
Over ¥10 billion and not more than ¥50 billion	¥11,000,000+(Total assets – ¥10 billion) * 0.080%
Over ¥50 billion and not more than ¥100 billion	¥43,000,000+(Total assets – ¥50 billion) * 0.060%
Over ¥100 billion and not more than ¥200 billion	¥73,000,000+(Total assets – ¥100 billion) * 0.055%
Over ¥200 billion and not more than ¥300 billion	¥128,000,000+(Total assets – ¥200 billion) * 0.040%
Over ¥300 billion and not more than ¥350 billion	¥168,000,000+(Total assets – ¥300 billion) * 0.035%
Over ¥350 billion and not more than ¥500 billion	¥185,500,000+(Total assets – ¥350 billion) * 0.034%
Over ¥500 billion	¥236,500,000+(Total assets – ¥500 billion) * 0.030%

If the above fee arrangements become inadequate due to changes in economic conditions or otherwise, NIPPON REIT may accept additional fees upon mutual consultation between NIPPON REIT and the general administrative agent.

Custodian Fee:

- The amount of custodian fees payable for each calculation period is determined based on NIPPON REIT's total assets recorded on the balance sheet for the immediately preceding fiscal period up to the amount calculated using the table

below, plus national and local consumption taxes:

Total Assets	Fee calculation method
¥10 billion or less	¥7,000,000
Over ¥10 billion and not more than ¥50 billion	¥7,000,000+(Total assets – ¥10 billion) * 0.050%
Over ¥50 billion and not more than ¥100 billion	¥27,000,000+(Total assets – ¥50 billion) * 0.040%
Over ¥100 billion and not more than ¥200 billion	¥47,000,000+(Total assets – ¥100 billion) * 0.035%
Over ¥200 billion and not more than ¥300 billion	¥82,000,000+(Total assets – ¥200 billion) * 0.030%
Over ¥300 billion and not more than ¥350 billion	¥112,000,000+(Total assets – ¥300 billion) * 0.025%
Over ¥350 billion and not more than ¥500 billion	¥124,500,000+(Total assets – ¥350 billion) * 0.024%
Over ¥500 billion	¥160,500,000+(Total assets – ¥500 billion) * 0.020%

If the above fee arrangements become inadequate due to changes in economic conditions or otherwise, such fees may be revised by agreement between the asset custodian and NIPPON REIT upon mutual consultation.

Transfer Agency Fee:

- NIPPON REIT pays the transfer agent a transfer agency fee separately agreed between the parties up to the amount calculated according to the fee schedule below. NIPPON REIT is responsible for the payment of bank remittance charges and national and local consumption taxes imposed on the remittance charges.

Standard Fees: The standard fees are for services such as administration and custody of the unitholders' register, compilation of statistical data, management of unitholders with specified bank accounts for distributions and the creation, administration, and custody of statutory books. The monthly standard fee is equal to one-sixth of the total amount of fees calculated in the manner shown below, subject to a minimum monthly fee of ¥220,000.

Up to 5,000	¥390
5,001 to 10,000.....	¥330

	<p>10,001 to 20,000..... ¥280</p> <p>20,001 to 100,000..... ¥180</p> <p>More than 100,000..... ¥150</p> <p>There is a ¥55 fee per unitholder disqualified during the month.</p> <p>If the above fee arrangements become inadequate due to changes in economic conditions or otherwise, such fees may be revised by agreement between the transfer agent and NIPPON REIT upon mutual consultation.</p> <p><u>Independent Auditors' Fee:</u> A fixed amount set by the board of officers of up to ¥20,000,000 per fiscal period subject to audit.</p> <p><u>Fiscal Agency Fee:</u></p> <ul style="list-style-type: none"> In connection with the issuance of investment corporation bonds (from the 1st issuance to the 5th issuance), NIPPON REIT has paid or will pay to the general administrative agent (with respect to investment corporation bonds) a fiscal agency fee agreed between the parties based on the following formula: <ul style="list-style-type: none"> (x) Base amount: <ul style="list-style-type: none"> ¥16 million (y) Variable amount: <ul style="list-style-type: none"> The fluctuation factors of the above base amount are as follows: <ul style="list-style-type: none"> (i) Based on the mount of investment corporation bonds issued <ul style="list-style-type: none"> An additional seven hundredth of a yen for every ¥100 issued (ii) Term of redemption <ul style="list-style-type: none"> For the period from the payment date to the redemption date, an additional ¥200,000 per year <p>NIPPON REIT may also incur other miscellaneous fees, including fees in connection with entries in the unitholders' register with respect to change of unitholders; registration of the right of pledge; certain notifications; calculation of distributions; payment of distributions; payment fees in connection with investment corporation bonds; collection and distribution of investment securities; mailing of notices; handling of returned mail; preparation of voting ballots for general unitholders' meetings; certificates and investigations; registration of certain codes; updates to general unitholder data; and preparation of individual unitholders' notices.</p>
Article 23(1) (j)	
Description of the AIFM's procedure to	Under Article 77 paragraph 4 of the ITA, which applies the requirements of Article 109 paragraph 1 of the Companies Act to investment corporations, investment corporations

ensure fair treatment of investors and details of any preferential treatment received by investors, including detailing the type of investors and their legal or economic links with the AIF or AIFM	are required to treat unitholders equally depending on the number and content of units held. In addition, upon liquidation, the allotment of residual assets to unitholders is required to be made equally depending on the number units held under Article 77 paragraph 2 item 2 and Article 158 of the ITA.
Article 23(1) (k)	
The latest annual report referred to in Article 22(1)	Additional information may be found in NIPPON REIT's most recent semi-annual report prepared in accordance with Article 22 of the AIFMD, which is available at the Asset Manager's office located at Koku Kaikan 3F, 18-1, Shimbashi 1-chome, Minato-ku, Tokyo.
Article 23(1) (l)	
The procedure and conditions for the issue and sale of the units	<p>NIPPON REIT is authorized under the articles of incorporation to issue up to 16 million units. Its units have been listed on the Tokyo Stock Exchange since April 24, 2014.</p> <p>Secondary market sales and transfers of units will be conducted in accordance with the rules of the Tokyo Stock Exchange. Unit prices on the Tokyo Stock Exchange are determined on a real-time basis by the equilibrium between bids and offers.</p> <p>The Tokyo Stock Exchange sets daily price limits, which limit the maximum range of fluctuation within a single trading day. Daily price limits are set according to the previous day's closing price or special quote.</p>
Article 23(1) (m)	
Latest net asset value of the AIF or latest market price of the unit or share of the AIF	NIPPON REIT's unit's latest market price is publicly available at the Tokyo Stock Exchange or from financial information vendors (including Reuters, which can be viewed at https://www.reuters.com/markets/companies/3296.T).

Article 23(1) (n)				
Details of the historical performance of the AIF, where available	The units of NIPPON REIT were listed on the Tokyo Stock Exchange on April 24, 2014. The most recent five fiscal periods’ performance of the units is as follows.			
	Fiscal period (six months ended)	Total Assets (JPY million)	Total Net Assets (JPY million)	Net Assets per unit (JPY)
	21 st Fiscal Period (ended December 31, 2022)	275,138	130,395	289,812
	22 nd Fiscal Period (ended June 30, 2023)	275,414	130,392	289,807
	23 rd Fiscal Period (ended December 31, 2023)	275,462	130,605	290,280
	24 th Fiscal Period (ended June 30, 2024)	278,161	131,395	292,036
	25 th Fiscal Period (ended December 31, 2024)	274,659	129,478	73,218 (Note)
	(Note) NIPPON REIT conducted an investment unit split at a rate of four units per one unit with December 31, 2024 as the record date for the split and January 1, 2025 as the effective date. Net assets per unit is calculated based on the assumption that said investment unit split was conducted at the beginning of the fiscal period ended December 31, 2024.			
Article 23(1) (o)				
Identity of the prime broker, any material arrangements of the AIF with its prime brokers, how conflicts of interest are managed with the prime broker and the provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets, and information about any transfer of liability to the	Not applicable.			

prime broker that may exist	
Article 23(1) (p)	
Description of how and when periodic disclosures will be made in relation to leverage, liquidity and risk profile of the assets, pursuant to Articles 23(4) and 23(5)	The AIFM will disclose the matters described in Articles 23(4) and 23(5) periodically through its Internet website or semi-annual report.
Article 23(2)	
The AIFM shall inform the investors before they invest in the AIF of any arrangement made by the depositary to contractually discharge itself of liability in accordance with Article 21(13)	Not applicable.
The AIFM shall also inform investors of any changes with respect to depositary liability without delay	Not applicable.
Article 23(4)(a)	
Percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature. The percentage shall be calculated as the net value of those assets subject to	There are no assets that are subject to special arrangements arising from their illiquid nature.

special arrangements divided by the net asset value of the AIF concerned	
Overview of any special arrangements, including whether they relate to side pockets, gates or other arrangements	There are no such special arrangements.
Valuation methodology applied to assets which are subject to such arrangements	There are no such special arrangements.
How management and performance fees apply to such assets	There are no such special arrangements.
Article 23(4)(b)	
Any new arrangements for managing the liquidity of the AIF	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
For each AIF that the AIFM manages that is not an unleveraged closed-end AIF, notify to investors whenever they make changes to its liquidity management systems (which enable an AIFM to monitor the liquidity risk of the AIF and to ensure the liquidity profile of the investments of the AIF complies with its underlying obligations) that are material in accordance with Article 106(1) of Regulation (EU) No 231/2013 (ie. there is a substantial likelihood that a reasonable investor, becoming aware of such information, would reconsider its investment in the AIF, including because such information could impact an investor's ability to exercise its rights in relation to its investment, or otherwise prejudice the interests of one or more investors in the AIF).	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.

Immediately notify investors where they activate gates, side pockets or similar special arrangements or where they decide to suspend redemptions	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Overview of changes to liquidity arrangements, even if not special arrangements	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Terms of redemption and circumstances where management discretion applies, where relevant	NIPPON REIT is a closed-end investment corporation, and unitholders are not entitled to request the redemption of their investment.
Also any voting or other restrictions exercisable, the length of any lock-up or any provision concerning 'first in line' or 'pro-rating' on gates and suspensions shall be included	There are no voting or other restrictions on the rights attaching to units.
Article 23(4)(c)	
The current risk profile of the AIF and the risk management systems employed by the AIFM to manage those risks	<p>The Asset Manager stipulates basic provisions of risk management in its risk management rules. The appropriateness and effectiveness of the Asset Manager's risk management systems are regularly reviewed and evaluated by the Asset Manager.</p> <p>The use of long-term loans to finance asset acquisitions and other purposes gives rise to liquidity risks. NIPPON REIT controls such risks by setting an upper limit of 60% for its LTV ratio as a general rule and diversifying lending financial institutions and planning and executing diversified financing methods including financing through capital markets, such as issuance of investment units.</p> <p>Borrowings are also exposed to a risk of rising interest rates. NIPPON REIT manages interest rate risks by increasing the proportion of borrowings under long-term fixed rates.</p> <p>Derivative transactions (interest rate swap transactions) may be used to hedge against interest rate fluctuation risk.</p> <p>NIPPON REIT's use of tenant leasehold and security deposits gives rise to liquidity risk since repayment of these deposits is triggered when tenants move out of NIPPON REIT's properties. This risk is controlled through such</p>

	<p>measures as preparing cash management plans and retaining cash and deposits sufficient to return deposits to tenants.</p> <p>Bank deposits are used for investing NIPPON REIT's surplus funds. These bank deposits are exposed to credit risks such as bankruptcy of the depositary financial institutions. Credit risk is managed by diversifying the depositary financial institutions.</p>
Measures to assess the sensitivity of the AIF's portfolio to the most relevant risks to which the AIF is or could be exposed	No such measures have been implemented.
If risk limits set by the AIFM have been or are likely to be exceeded and where these risk limits have been exceeded a description of the circumstances and the remedial measures taken	No such situation has occurred.
Article 23(5)(a)	
Any changes to the maximum amount of leverage which the AIFM may employ on behalf of the AIF, calculated in accordance with the gross and commitment methods. This shall include the original and revised maximum level of leverage calculated in accordance with Articles 7 and 8 of Regulation (EU) No 231/2013, whereby the level of leverage shall be calculated as the relevant exposure divided by the net asset value of the AIF.	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Any right of the reuse of collateral or any guarantee granted under the leveraging agreement, including the nature of the rights granted for the reuse of collateral and the nature of the guarantees granted	No such right or guarantee exists.
Details of any change in service providers relating to the above.	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.

Article 23(5)(b)

Information on the total amount of leverage employed by the AIF calculated in accordance with the gross and commitment methods

The aggregate amount of debt with interest is ¥132,620 million as of December 31, 2024.