Information under AIFMD Article 23 (for UK and Dutch Investors)

As of October 26, 2026

For the latest version, please refer to the NTT UD REIT Investment Corporation's website.
https://nud-reit.co.jp/en/ir/library.html

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 NTT UD REIT Investment Corporation ("NUD" or the "AIF") are being marketed in the Netherlands under Section 1:13b of the Dutch Financial Supervision Act (Wet op het financieel toezicht, or the "Wft"). In accordance with this provision, NTT Urban Development Asset Management Corporation (the "AIFM") has submitted a notification with the Dutch Authority for the Financial Markets. The units of NUD will not, directly or indirectly, be offered, sold, transferred or delivered in the Netherlands, except to or by individuals or entities that are qualified investors (gekwalificeerde beleggers) within the meaning of Article 1:1 of the Wft, and as a consequence neither the AIFM nor NUD is subject to the license requirement pursuant to the Wft. Consequently, neither the AIFM nor NUD is subject to supervision of the Dutch Central Bank (De Nederlandsche Bank, "DNB") or the Netherlands Authority for Financial Markets (Autoriteit Financiële Markten, the "AFM") and 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 (the "Prospectus Regulation") as amended and applicable in the Netherlands. The AIFM is therefore solely subject to limited ongoing regulatory requirements as referred to in Article 42 of the AIFMD.

United Kingdom

Units of NUD 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 (as amended, "FSMA") NUD 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 NUD 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, or "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 NUD 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) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("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) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; 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 international units to be offered so as to enable an investor to decide to purchase or subscribe the international units.

Consequently no 'product summary' document or other disclosure required by the FCA Product Disclosure Sourcebook ("DISC"), for offering or selling the international units or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the international units or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

European Economic Area

In addition to the restrictions under the AIFMD, the Units of NUD 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, (the "MiFID II"); (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 Prospectus Regulations, as amended. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Units of NUD or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Units of NUD, or otherwise making them available, to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

<table>
<tr><th>Article 23 (1)(a)</th><th></th></tr>
<tr><td>Objectives of the AIF</td><td>NUD conducts asset management that takes advantage of the expertise and experience of NTT Urban Development Corporation, the main sponsor of NTT Urban Development Asset Management Corporation, which conducts real estate development and leasing businesses. NUD aims to maximize the interests of its unitholders by enhancing the profitability of such real estate.</td></tr>
<tr><td>Investment strategy</td><td>NUD shall invest in real estate located primarily in the Tokyo metropolitan area, comprising buildings and land which are primarily for office and residential uses, as well as in securities and other assets that are backed by such real estate. NUD shall conduct management with an aim to ensure solid growth of its assets and to secure stable earnings from medium- to long–term perspectives.

Office buildings are attractive when the economy is strong. Demand from tenants (lessees) for office buildings may fluctuate due to business cycles and other economic trends. Consequently, this might adversely affect NUD's profitability with regard to its office buildings. However, compared to real estate for other uses, office buildings are generally expected to generate relatively higher levels of profitability.

Residential properties, on the other hand, have stable demand even when the economy is weak. In addition, rental residential properties are relatively resistant to adverse changes in economic and social conditions compared to real estate for other uses. By combining asset types that have low rent correlation with each other, NUD seeks to mitigate the impact of economic fluctuations.

NUD's investments are focused primarily in the Tokyo Economic Bloc, which is characterized by high concentration of people and industries and an established economic foundation, and in Major Regional Cities, NUD seeks to achieve a portfolio diversified by asset type comprising office buildings and residential properties.

<table>
<tr><td>5 central wards of Tokyo</td><td>Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards</td></tr>
<tr><td>Other 18 wards of Tokyo</td><td>The remaining 18 wards of the 23 wards of Tokyo, after excluding the 5 Central Wards of Tokyo</td></tr>
<tr><td>Urban areas surrounding Tokyo</td><td>Tokyo Prefecture excluding the 23 wards of Tokyo, Kanagawa Prefecture (Yokohama City, Kawasaki City and other cities), Saitama Prefecture (Saitama City and other cities) and Chiba Prefecture (Chiba City and other cities)</td></tr>
<tr><td>Major regional cities</td><td>Sapporo City, Sendai City, Shizuoka City, Nagoya City, Osaka City, Kyoto City, Kobe City, Hiroshima City, Okayama City and Fukuoka City etc.</td></tr>
</table>
Furthermore, NUD aims to achieve the following geographic diversification.
<table>
<tr><th>Asset type/Area</th><th>5 central wards of Tokyo</th><th>Other 18 wards of Tokyo</th><th>Urban areas surrounding Tokyo</th><th>Major regional cities</th></tr>
<tr><td>Office buildings</td><td>50% or more</td><td>0% - 20%</td><td>0% - 40%</td><td>0% - 20%</td></tr>
<tr><td>Residential properties</td><td>50% or more</td><td>0% - 40%</td><td>0% - 20%</td><td>0% - 20%</td></tr>
</table>
(Note) Since the figures in the table represent ranges, the total of such figures is not necessarily 100%. Although NUD makes investments by aiming to achieve the ratios above, the actual ratios may differ in the course of acquiring the investment assets.</td></tr>
<tr><td>Types of assets the AIF may invest in</td><td>Real estate, leasehold rights, surface rights, trust beneficiary interests in real estate, real estate securities, specified assets and other assets.</td></tr>
<tr><td>Techniques it may employ and all associated risks</td><td>NUD achieves its objective by investing in real estate consisting of office buildings and residential properties.

The principal risks with respect to investment in NUD are as follows:</td></tr>
</table>

	(1) General Risks (a) Risk concerning treatment of legal, taxation and other systems of investment corporations (b) Risk concerning transactions involving the investment units in the market (c) Risk concerning price fluctuations of the investment units or Corporate Bonds (defined below) (d) Risk concerning dilution of per-unit value through the issuance of new investment units (e) Risk concerning cash distributions and acquisition of NUD's own investment units (2) Risks Related to Product Design and Related Parties (a) Risk concerning marketability of investment units (b) Risk concerning fluctuations in revenues, expenditures and cash flow (c) Risk concerning loan to value ratio (d) Risk concerning borrowings and Corporate Bonds (e) Risk of NUD going bankrupt (f) Risk of NUD's registration being cancelled (g) Risk concerning dependency on related parties other than NUD (h) Risk concerning performance of duties of directors (i) Risk concerning insider trading (j) Risk concerning the asset manager (k) Risk concerning the asset manager being entrusted with the asset management of multiple investment corporations (l) Risk concerning the property manager (m) Risk concerning conflicts of interest, etc. of entities involved in the management of NUD (n) Risk concerning the use of security deposits and guarantee deposits (3) Risks Peculiar to Trust Beneficiary Interests (a) Risk borne as a trust beneficiary (b) Risk concerning liquidity of trust beneficiary interests (c) Risk concerning trustee (d) Risk concerning co-ownership, etc. of trust beneficiary interests (4) Risks Peculiar to Preferred Share Securities of Specific Purpose Companies (a) Risk borne as a preferred shareholder (b) Risk concerning liquidity of preferred share securities (c) Risk concerning other preferred shareholders (5) Risks Related to Real Estate (a) Risk concerning liquidity of real estate, transaction costs, conclusion of post-dated sale agreements (forward commitment contracts), etc. (b) Risk concerning competition of property acquisition (c) Risk concerning defects and failures of real estate, including defective title and limited or invalid ownership rights (d) Risk arising from the complexity of rights regarding real estate and lack of public reliance effect (*koushinryoku*) (e) Risk concerning co-owned properties (f) Risk concerning compartmentalized ownership of buildings (g) Risk concerning properties on leased lands (h) Risk concerning properties under development (i) Risk concerning appraisal value and building evaluation (j) Risk concerning decrease of rent income (k) Risk concerning master lease contracts (l) Risk concerning lease contracts of real estate in Japan (m) Risk concerning the status of use of building by tenants (n) Risk concerning increase in operating costs of real estate (o) Risk concerning accidents, natural disasters and infections, etc. (p) Risk concerning uneven distribution of real estate (q) Risk concerning concentration of tenants (r) Risk concerning ownership liabilities, etc. (s) Risk concerning revisions of existing laws and regulations

	(t) Risk concerning hazardous materials and environmental liabilities (6) Risks Related to Taxation, Etc. (a) General risk concerning application of special provisions of taxation regarding inclusion in deductible expenses of distribution of profits (b) Risk concerning conduit requirements (c) Risk of additional tax requirements and risks of becoming unable to satisfy conduit requirements due to correction orders as a result of taxation investigations, etc. (d) Risk of falling under the category of family company (e) Risk that preferential tax measures associated with real estate acquisitions cannot be applied (f) Risk concerning revisions of the general tax system (g) Risk of NUD having no control over its investors (h) Risk concerning impairment loss (i) Risk concerning passing dividend due to lack of funds (j) Risk concerning charge of delinquent tax due to delay of tax payment (7) Other Risks (a) Risk concerning NUD's ability to make real estate acquisitions (b) Risk arising from bankruptcy of the seller of properties (c) Risk concerning material events, etc.
Any applicable investment restrictions	NUD 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. NUD must invest primarily in specified assets as defined in the ITA. Specified assets include, but are not limited to, securities, real estate, real estate leasehold interests, surface rights (*chijō-ken*) (i.e., right to use land for the purpose of having a structure on it) or beneficiary interests in trust for securities or real estate, real estate leasehold interests or surface rights. A listed J-REIT must invest substantially all of its assets in real estate, Real estate in this context includes, but is not limited to, real estate, real estate leasehold interests, surface rights, and trust beneficiary interests for these assets, and real estate-related assets in this context include, but are not limited to, anonymous association (*tokumei kumiai*) interests for investment in real estate. Pursuant to the ITA, investment corporations shall not independently develop land or construct buildings, but must outsource such activities.
Circumstances in which the AIF may use leverage	In order to achieve the steady growth of investment assets and efficient and stable operation of investments, NUD may borrow funds or issue corporate bonds to raise funds to acquire or repair assets, pay distributions, fund NUD's operation, or repay debts (including repayment of deposit money, loans and obligations of its corporate bonds (including short-term corporate bonds; hereinafter referred to as "Corporate Bonds" in this document))
The types and sources of leverage permitted and associated risks	Loans or Corporate Bonds. Currently all of NUD's outstanding long- and short-term loans are unsecured and unguaranteed. Loans in which NUD enters or Corporate Bonds that NUD 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 NUD were to violate such restrictive covenants, such as with regard to loan-to-value ratios, lenders may be entitled to require NUD to collateralize portfolio properties or demand that the entire outstanding balance be paid ahead of the scheduled date. In the event of an increase in interest rates, to the extent that NUD has any debt with unhedged floating rates of interest or NUD 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 NUD's ability to acquire properties, and could cause the market price of the investment units to decline.

Any restrictions on leverage	The maximum limit of the loans and bond issuances shall be one trillion yen and the combined amount shall not exceed one trillion yen.
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	NUD shall aim to maintain the ratio of the balance of loans and issued corporate bonds to total assets at 60% or less. However, in connection with the acquisition of new investment assets and other circumstances, this ratio may tentatively exceed 60% for a short period of time.
Article 23(1) (b)	
Procedure by which the AIF may change its investment strategy / investment policy	Amendment of the articles of incorporation. The amendment requires a quorum of a majority of the total issued investment units and at least a two-thirds favor of the voting rights represented at the general meeting of unitholders. Unitholders should note, however, that under the ITA and our articles of incorporation, unitholders who do not attend and exercise their voting rights at a general meeting of unitholders are deemed to be in agreement with proposals submitted at the meeting, except in cases where contrary proposals are also being submitted or cases regarding (i) assignment or dismissal of an executive director, supervisory director or accounting auditor, (ii) amendment of the articles of incorporation (only in relation to the provision for deemed agreement with proposals), (iii) dissolution of NUD, (iv) consent to terminate an asset management agreement by the asset manager or (v) consent to terminate an asset management agreement by NUD. Additionally, the Asset Management Guidelines of the AIFM, which provide more detailed policies within NUD's overall investment strategy and policy, can be modified without such formal amendment of the articles of incorporation.
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 judgments in the territory where the AIF is established	NUD is a corporate-type investment trust in the form of investment corporation (*toshi hojin*) provided for under the ITA. Therefore, the relationship between NUD and its unitholders is governed by NUD's articles of incorporation (as opposed to individual agreements), which can be amended from time to time upon resolution of a general meeting of unitholders. NUD's articles of incorporation stipulate rules relating to general meetings of unitholders, including the convocation, setting of record date, exercise of voting rights, resolutions and election of NUD's directors. The relationship between NUD and its unitholders is also governed by, and is subject to the provisions of, Japanese law, including the ITA. The above agreements are governed by Japanese law. 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 NUD obtained in a foreign court provided that (i) the jurisdiction of such foreign court is admitted under the laws of Japan, (ii) NUD has received service of process 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. NTT Urban Development Asset Management Corporation and NTT Urban Development Corporation have entered into an agreement on information provision.

	NUD 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.
Article 23(1) (d)	
The identity of the AIFM, AIF's depositary, auditor and any other service providers and a description of their duties and the investors' rights thereto	• AIFM (Asset Manager): NTT Urban Development Asset Management Corporation The AIFM manages assets owned by NUD pursuant to the asset management agreement and based on the Articles of Incorporation of NUD. • Auditor: KPMG AZSA LLC The Auditor audits financial statements and prepares audit reports. • Asset Custodian: Sumitomo Mitsui Trust Bank, Ltd. The Custodian provides, pursuant to the asset custody agreement, services related to custody of documents evidencing the rights to the assets acquired by NUD and other documents, management of deposits into and withdrawals from bank accounts as well as fund transfers, preparation and delivery of ITA-based account books. • General Administrative Agents (Institutions): NTT Urban Development Asset Management Corporation Pursuant to the general administrative agreement, the General Administrative Agent provides services related to operations of NUD's administrative instruments. • General Administrative Agents (Accounting and tax payment): Sumitomo Mitsui Trust Bank, Ltd. The General Administrative Agent provides services related to accounting, preparation of accounting books and tax payments, pursuant to the general administrative agreement. • General Administrative Agents (Corporate Bonds): Sumitomo Mitsui Trust Bank, Ltd. The General Administrative Agent provides services related to receipt and delivery to NUD of subscriptions, repayment of principal of Corporate Bonds and payment of interest, coordination of investment corporation bond registry and its copy and management of investment corporation bond registry, pursuant to the fiscal agent agreement. • Transfer Agent: Sumitomo Mitsui Trust Bank, Ltd. The transfer agent provides services related to preparation and keeping of the unitholders registry and other affairs concerning the registry, payment of cash distributions to unitholders, and responding to requests from unitholders on exercising their rights against NUD and other requests from them, pursuant to the transfer agent agreement. In addition, as an account management institution for the special account under the Act on Book-Entry of Company Bonds, Shares, etc., the bank provides services related to preparation and keeping of NUD's book-entry transfer account registry and other affairs concerning the registry by request from NUD, pursuant to the special account management agreement. • General Administrative Agents (Acquisition of NUD's own investment units): SMBC Nikko Securities Inc. The General Administrative Agent provides services related to acquisition of NUD's own investment units pursuant to the consignment by NUD. 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.

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 by the depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations	Not applicable. There is no delegation of such functions beyond the AIFM, which is responsible for portfolio and risk management, and the Custodian, which is responsible for safekeeping activities.
Article 23(1) (g)	
Description of the AIF's valuation procedure and pricing methodology, including the methods used in valuing hard-to-value assets	NUD makes investment decisions based on its investment strategies and in accordance with its articles of incorporation and based on the results of due diligence, including the valuation of properties and consideration of the property appraisal value. NUD evaluates assets in accordance with its Article of Incorporation. The methods and standards that NUD uses for the evaluation of assets are based on the Regulations Concerning the Calculations of Investment Corporations, as well as the Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations and other regulations stipulated by ITA, in addition to Japanese GAAP. J-REITs may only use the valuation methods prescribed in the rules of the Investment Management Association of Japan, which emphasize market price valuation.
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	NUD seeks to manage the capital resources and liquidity sources to provide adequate funds for current and future financial obligations and other cash needs and acquisitions. NUD manages associated liquidity and interest rate fluctuation risk by keeping the ratio of interest-bearing liabilities to total assets at a conservative level, lengthening loan terms, selecting interest rates in consideration of economic conditions and establishing stable relationships with financial institutions. NUD is a closed-end investment corporation, and NUD shall not refund any investment units upon request of unitholders. In view of the closed-end status of NUD, it has not implemented specific other liquidity management tools (LMTs) as referred to in Article 16(2b) AIFMD2 and, consequently, this document does not include a further description of how such LMTs would be applied.
Article 23(1) (i)	
Description of all fees, charges and expenses and a maximum amount which is directly / indirectly borne by the investors	<u>Compensation</u>: • The articles of incorporation provide that the compensation shall be no more than 800,000 yen per month for each Executive Director and no more than 350,000 yen per month for each Supervisory Directors, and shall be the amount judged reasonable in light of such factors as the compensation levels for the directors and auditors, etc. who perform similar assignments, general price trends and wage trends. Said amount shall be determined by the Board of Directors, to the extent not larger than the above-mentioned amount, respectively.

Asset Management Fee:

NUD will pay the AIFM an asset management fee as follows;

- Management Fee 1 – Asset Management Fee 1 shall be the amount (rounded down to the nearest 1 yen) equivalent to the proportion that NUD and the AIFM separately agree (the upper limit is 2.5%) of the total amount of rents, common area charge, parking fees, incidental revenue, facility use charge, facility installation charge, delay damage charge, cancellation penalty or similar monies for cancelling lease agreements, and other income from leasing operations, generated from real estate, etc. (including real estate backing securities and other assets that the Investment Corporation acquires) in the investment assets, and calculated for each settlement period. The amount shall be equivalent to the proportion that NUD and the AIFM separately agree (the upper limit is 2.5%) of the total amount (rounded down to the nearest 1 yen) of dividend income, interests or similar revenues for the said equity interests or real estate backed securities, calculated for each settlement period. Moreover, gains from sale of real estate, etc. (including real estate backing the securities and other assets that the Investment Corporation acquires) and other assets in the investment assets shall be excluded. NUD shall pay the amount and the consumption taxes and local consumption taxes levied on the amount within a month after the accounts are settled.
- Management Fee 2 – For each fiscal period, Management Fee 2 shall be paid as following formula (rounded down to the nearest 1 yen) within a month after the accounts are settled:
    - (distributable amount per NUD's investment unit in each fiscal period before the deduction of Management Fee 2) x 1,000,000 x (the rate that NUD and the AIFM separately agree, which the upper limit is 10%)
- Management Fee 3 – When the Investment Corporation has newly acquired real estate, etc. as the investment assets (including the case where the Investment Corporation has acquired securities and other assets backed by real estate), the Investment Corporation shall pay the following amount in accordance with the acquisition price of the real estate, etc. (meaning the combined acquisition price for the land and building, or the respective acquisition price when multiple real estate properties are acquired simultaneously; with the amount equivalent to the consumption taxes and local consumption taxes as well as expenses associated with the acquisition are excluded):
    - (the rate that NUD and the AIFM separately agree (the upper limit is 0.5% and rounded down to the nearest 1 yen)) x the acquisition price + the amount equivalent to the consumption taxes and local consumption taxes levied on the amount

  Payment shall be made by the end of the month following the month of the acquisition.
- Management Fee 4 – When the Investment Corporation has sold real estate, etc. held as the investment assets (including the case where the Investment Corporation has sold securities and other assets backed by real estate), the Investment Corporation shall pay the following amount, in accordance with the sale price of the real estate, etc. (meaning the combined sale price for the land and building, or the respective sale prices when multiple real estate properties are sold simultaneously, excluding consumption taxes and local consumption taxes as well as expenses associated with the sale):
    - (the rate that NUD and the AIFM separately agree (the upper limit is 0.25% and rounded down to the nearest 1 yen)) x the sale price + the amount equivalent to the consumption taxes and local consumption taxes levied on the amount

  Payment shall be made by the end of the month following the month of the sale.
- Management Fee 5 – When the asset management company conducts an investigation and evaluation of the real estate, etc. (including securities and other assets backed by real estate) held by the counterparty to a consolidation-type merger or an absorption-type merger involving the Investment Corporation (including the case where the Investment Corporation is the corporation surviving the absorption-type merger and the case where the Investment Corporation is the corporation dissolving in the absorption-type merger) (collectively referred to as the "Merger") or other Merger-related services for the Investment Corporation and the Merger becomes effective, the Investment Corporation shall pay the following amount:

- (the rate that NUD and the AIFM separately agree (the upper limit is 0.5%) x (the appraisal value as of the effective date of the Merger of the real estate, etc. held by the counterparty to the Merger of which are those succeeded or held by the corporation incorporated in the consolidation-type Merger or the corporation surviving the absorption-type Merger (rounded down to the nearest 1 yen)) + consumption taxes and local consumption taxes levied on the amount

Payment shall be made by the end of the month following the month that includes the effective date of the Merger.

General Administrative Agent Fee (Institutions):

- For administration of AIF's general meetings of unitholders, the General Administrative Agent (Institutions) receives a General Administrative Agent Fee of 5 million yen per meeting, plus national and local consumption taxes pertaining thereto, by the end of the month immediately following the month of the relevant meeting.
- For administration of AIF's board of directors' meetings, the General Administrative Agent (Institutions) receives a General Administrative Agent Fee of 1.5 million yen, plus national and local consumption taxed pertaining thereto, by the end of April and October each year.

General Administrative Agent Fee (Accounting):

- The NUD pays to the General Administrative Agent (Accounting) monthly General Administrative Fees (Accounting) each fiscal period. The General Administrative Agent (Accounting) shall request the fees by the end of the month immediately following the relevant fiscal period, and NUD shall pay the fees, plus national and local consumption taxed pertaining thereto, by the end of the month immediately following the month of the request.
  The monthly General Administrative Agent Fees (Accounting) is calculated by multiplying NUD's total assets as of the end of each month by 0.06%, divided by 12.

General Administrative Agent Fee (Corporate Bonds):

- For principal and interest payment services with respect to series eight and ten unsecured Corporate Bonds, the General Administrative Agent receives a General Administrative Agent Fee (Corporate Bonds) equivalent to 0.00075% of any principal and interest payment amount.

General Administrative Agent Fee (Acquisition of NUD's own investment units):

- The General Administrative Agent (Acquisition of NUD's own investment units) receives the fee separately agreed with NUD (the upper limit is 0.3% of acquisition price of NUD's own investment units).

Transfer Agent Fee:

- Standard Fee - The standard transfer agent fee is for services such as the preparation, maintenance and storage of NUD's unitholder register; and preparation of materials concerning unitholder statistical data as of the end of each fiscal period or any other day. The monthly standard fee is one-sixth of the amount determined based on the number of unitholders as shown below, subject to a minimum monthly fee of ¥200,000.

Up to 5,000	480 yen
5,001 to 10,000	420 yen
10,001 to 30,000	360 yen
30,001 to 50,000	300 yen
50,001 to 100,000	260 yen
More than 100,000	225 yen

- Other fees - NUD also pays certain other fees in addition to the standard fee in connection with the administration and handling of distributions (minimum of 350,000 yen per distribution) and other unitholder-related functions.

Custodian Fee:

- NUD pays to the Custodian monthly Custodian Fees each fiscal period. The Custodian shall request the fees by the end of the month immediately following the relevant fiscal period, and NUD shall pay the fees, plus national and local consumption taxes

	pertaining thereto, by the end of the month immediately following the month of the request. The Custodian Fee is calculated by multiplying NUD's total assets as of the end of the each month by 0.01%, divided by 12.In the event of early termination of the custodian agreement, the fees shall be prorated based on the number of days during the period from the date immediately following the preceding fiscal period until the date of the termination, and payable within five days from the termination date. Auditor's Fee: • The Auditor receives an Auditor Fee determined by a resolution of a NUD's board of directors' meeting subject to a maximum amount of 15 million yen for each fiscal period. A portion of Auditor Fee for the immediately preceding three-month period is payable by the end of January, April, July and October each year. • In addition to the above compensation, the Auditor receives a fee of 2 million yen by the end of January and July each year, for audit of English language financials, etc.
Article 23(1) (la)	
List of fees, charges and expenses that are borne by the AIFM in connection with the operation of the AIF and that are to be directly or indirectly allocated to the AIF	NUD shall bear the following fees, charges and expenses. To the extent that any such fees, charges and expenses are incurred by the AIFM in connection with the operation of NUD, such fees, charges and expenses shall generally be allocated to the AIF. (1) Expenses relating to the issuance of the units and investment corporation bonds; (2) Expenses incurred in connection with the acquisition and disposition of specified assets; (3) Other expenses relating to asset management; (4) Expenses relating to the operation of NUD; and (5) Any other expenses to be borne by NUD (such as printing costs, stamp duties and postage expenses).
Article 23(1) (j)	
Description of the AIFM's procedure to 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	Under Article 77 paragraph 4 of the Act on Investment Trusts and Investment Corporations of Japan, which applies the requirements of Article 109 paragraph 1 of the Companies Act to investment corporations, investment corporations are required to treat unitholders equally depending on the number 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)	Not applicable. Additional information may be found in our most recent semiannual report, which can be viewed at https://nud-reit.co.jp/file/en-ir_library_term-145ce6b1ebb769bb84b73bda8eb0f562e24a4627.pdf
Article 23(1) (l)	
The procedure and conditions for the issue and sale of the units	The total number of authorized investment units for NUD shall be 10 million units. The investment units have been listed on the Tokyo Stock Exchange since September 10, 2002. 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. 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.
Article 23(1) (m)	
Latest net asset value of	NUD's latest investment unit's price is publicly available at the Tokyo Stock Exchange or

<table>
<tr><td>the AIF or latest market price of the unit or share of the AIF</td><td>from financial information vendors (including Reuters, which can be viewed at https://www.reuters.com/markets/companies/8956.T/).</td></tr>
<tr><td>Article 23(1) (n)</td><td></td></tr>
<tr><td>Details of the historical performance of the AIF, where available</td><td>The investment units of NUD were listed on the Tokyo Stock Exchange on September 10, 2002.
The most recent fiscal period performance of the units is as follows.

<table><tr><th>Fiscal period
(six months ended)</th><th>Total Assets
(JPY million)</th><th>Total Net Assets
(JPY million)</th><th>Net Assets per unit
(base value)
(JPY)</th></tr><tr><td>April 30, 2026</td><td>307,639</td><td>146,998</td><td>100,119</td></tr><tr><td>October 31, 2025</td><td>307,478</td><td>146,492</td><td>99,774</td></tr><tr><td>April 30, 2025</td><td>310,028</td><td>147,166</td><td>100,233</td></tr><tr><td>October 31, 2024</td><td>311,655</td><td>148,622</td><td>100,282</td></tr><tr><td>April 30, 2024</td><td>311,579</td><td>148,487</td><td>100,191</td></tr></table></td></tr>
<tr><td>Article 23(1) (o)</td><td></td></tr>
<tr><td>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 prime broker that may exist</td><td>Not applicable.</td></tr>
<tr><td>Article 23(1) (p)</td><td></td></tr>
<tr><td>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)</td><td>The AIFM will disclose the matters described in Articles 23(4) and 23(5) periodically through its Internet website or semi-annual report.</td></tr>
<tr><td>Article 23(2)</td><td></td></tr>
<tr><td>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)</td><td>Not applicable.</td></tr>
<tr><td>The AIFM shall also inform investors of any changes with respect to depositary liability without delay</td><td>Not applicable.</td></tr>
</table>

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 special arrangements divided by the net asset value of the AIF concerned	There are no assets that are subject to special arrangements arising from their illiquid nature.
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	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.

prejudice the interests of one or more investors in the AIF).	
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	NUD 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	Deposits are exposed to risks of failure of the financial institution holding the deposit and other credit risks, but NUD manages credit risk by restricting the term of the deposit to relatively short periods. The fund proceeds from borrowings and issuance of Corporate Bonds are used for the purpose of investing in properties, conducting repairs, paying cash distributions, operating the AIF, repaying obligations and other activities. These borrowings and Corporate Bonds are exposed to liquidity risks. NUD strives to reduce the liquidity risks and a risk of rising interest rates by setting long-term and fix rate and diversifying repayment dates, fee, and so forth. Derivative transactions are also utilized to hedge the interest rate risks arising from any borrowing or other debts.
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(4)(d)	
The composition of the originated loan portfolio	As NUD invests in real estate, this provision is not applicable to it.
Article 23(4)(e)	
On an annual basis, all fees, charges and expenses that were directly or indirectly borne by investors	With respect to the period from May 1, 2025 to April 30, 2026, the aggregate amount of the fees, charges and expenses referred to in Article 23(1)(i) and Article 23(1)(ia) above, incurred by NUD, was JPY 13,054 million. This amount is calculated by adding (i) expenses related to the acquisition, management, and disposition of assets, (ii) interest on borrowings and investment corporation bonds, and (iii) trust fees to the total amount of each expense item set forth in the "Details of Expenses Related to Management" in the Asset Management Report of NTT UD REIT Investment Corporation, covering the two fiscal periods ending April 30, 2026.
Article 23(4)(f)	
On an annual basis, any parent undertaking, subsidiary or special purpose vehicle utilized in relation to the AIF's investments by or on behalf of the AIFM	During the period from May 1, 2025 to April 30, 2026, the following entities were utilized in relation to NUD's investments by or on behalf of the AIFM: Payment of fees, etc.: • NTT Urban Development Corporation ((i) counterparty to transactions involving the acquisition or disposition of specified assets and (ii) outsourcing expenses) • NTT Urban Value Support, Inc. (outsourcing expenses) • Tokyo Opera City Building Co., Ltd. (outsourcing expenses)
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 Interest-bearing liabilities totaled 147 billion yen as of April 30, 2026.

PROMOTION OF ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS – SFDR PRE-CONTRACTUAL DISCLOSURE

Product Name/Legal Entity Identifier: NTT UD REIT Investment Corporation

NTT UD REIT Investment Corporation. ("NUD") promotes environmental and social characteristics, but does not have as its objective a sustainable investment within the meaning of Article 9(1) of Regulation (EU) 2019/2088 ("SFDR"). We have no employees in accordance with the prohibition on having employees under the Act on Investment Trusts and Investment Corporations of Japan, and rely on NTT Urban Development Asset Management Corporation ("Asset Manager"), to manage and operate the properties in our portfolio. NUD and the Asset Manager are hereinafter referred to collectively as "we," "us" or "our." References to "fiscal year" or "FY" are to the 12-month period beginning on April 1 of each year, unless noted otherwise. We have no reference benchmark designated for the purposes of attaining the environmental or social characteristics promoted by our investment units.

Does this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: __% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of __% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective**: __%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by NUD?

We are aiming at business that contributes to the realization of a sustainable society, on the basis of the Sustainability Vision established by NTT Urban Solutions, Inc., the ultimate parent of the NTT Urban Solutions Group to which the Asset Manager belongs. Moreover, from the perspective of placing investors' interests over the medium to long term as our top priority, we recognize the importance of ESG (Environmental, Social and Governance) awareness, and work to support ESG awareness in all aspects of our real estate investment and management operations. Accordingly, we established a sustainability policy in 2021 and manage our portfolio based on this policy.

NUD does not have a specific index designated as a reference benchmark to determine whether NUD is aligned with the environmental or social characteristics that it promotes.

We have established targets for energy consumption, CO2 emissions, water consumption and waste and seek to meet these targets through various initiatives, including improvement of building management, capital investment, and sustainability training for tenants and property managers.

- *Energy saving and reduction of CO_2 emissions*. We promote energy saving efforts and reduction of CO2 emissions in managing our investment assets such as by installing LED lighting at our

properties. As of April 30, 2026, 62 of our 62 properties were equipped with LED lighting. We have established the following targets in this regard:

- 42% reduction in greenhouse gas (CO_2) emissions (Scope 1 and 2) intensity by FY2030 (vs. FY2020); and

- Achieving net zero greenhouse gas (CO_2) emissions (Scope 1, 2, and 3 total emissions) by FY2050.

- *Reducing water use*. We have implemented water saving measures such as installment of water-efficient equipment in the restrooms, in case of office buildings, and for hot water, kitchens and shower facilities, in the case of residences. As of April 30, 2026, water-efficient equipment had been installed at 53 of our 62 properties. Every year we aim to maintain the water use intensity of our entire portfolio at a level no greater than that of the previous fiscal year.

- *Reducing waste*. We continue to work on reducing waste and promote recycling. Every year we aim to improve the recycling rate of waste generated from our entire portfolio over the previous fiscal year. We provide our tenants with a guidebook on how to separate waste and recycle to encourage recycling and reduce waste.

- *Including "Green Lease" provisions in our agreements.* We have introduced environmental provisions, which we refer to as "Green Lease" provisions, in the leases with our tenants, under which tenants are required to switch to LED lighting in the areas they exclusively occupy and cooperate with us on environmental matters such as through sharing data on energy and water consumption. As of April 30, 2026, Green Lease provisions were introduced to 58 of our 62 properties.

As responsible members of society, we also undertake socially-minded efforts, in dialogue with the tenants, local government, local community, sponsors, officers and employees of the Asset Manager and other stakeholders.

- *Providing support to tenants and their employees.* We conduct a tenant satisfaction survey once every year to solicit feedback to improve our leasing efforts and ensure stable operation. We share the survey results with property managers and utilize them to improve our services.

- *AED installation.* We have installed AEDs near the entrance at each of our properties. We have made AEDs available not only to our tenants but also to the local communities by publicizing their availability at our properties. As of April 30, 2026, AEDs were installed at 28 of our 62 properties.

- *Installation of emergency supply boxes.* We have installed emergency supply boxes in the elevators of our properties in order to provide supplies for the passengers if they become trapped inside them during emergencies, such as earthquakes. As of April 30, 2026, emergency supply boxes were installed at 24 of our 62 properties.

- *Cooperation with government in disasters.* We have agreed with local governments to provide space in our properties for people who are not able to return to their homes at times of disaster. As of April 30, 2026, seven of our 62 properties were made available for this purpose.

- *Supporting local communities.* We contribute to local communities by supporting local events such as Opera City Festival (Tokyo Opera City Building), Shinagawa Sweet Potato Terrace (Shinagawa Season Terrace) and Akihabara UDX Summer Festival (Akihabara UDX).

- *Providing support for employees.* The Asset Manager regularly provides compliance training and business training for its officers and employees to uphold high professional ethical standards and allow them to acquire advanced expertise. The Asset Manager also supports employees to obtain qualifications such as the ARES Certified Master by subsidizing expenses

from obtaining qualifications. The Asset Manager also conducts an employee survey to improve their work environment and satisfaction levels. Some of our other initiatives include the following.

- *Promotion of Diversity & Inclusion*. As part of its management strategy, the NTT Urban Solutions Group promotes Diversity & Inclusion (D&I). To foster awareness of D&I, we provide diversity training for all employees, as well as tailored programs for newly appointed managers and new graduate hires. In addition, we regularly share information through various D&I-related seminars and other initiatives to further deepen understanding. We also conduct employee awareness surveys, including company-wide engagement surveys, to identify issues and leverage the findings to improve initiatives, enhance the workplace environment, and expand internal systems and policies. With regard to gender diversity and women's advancement, the advancement of employees with disabilities, support for balancing work with childcare and caregiving, and the promotion of understanding of LGBTQ-related issues, we implement a range of initiatives tailored to each area. These include building networks among the respective employee groups, developing relevant systems and policies, and fostering understanding in the workplace, thereby promoting the creation of an inclusive work environment where everyone can thrive.

- *Implementation of regular health exams*. Employees' health is a top priority matter. We not only encourage our employees to undergo periodic health exams, we also subsidize their medical exams and influenza vaccinations.

- *Special leave*. In addition to annual paid leave, we offer life plan leave, summer leave, marriage leave, bereavement leave, maternity leave, sick leave, nursing leave, and long-term care leave.

- *Business continuity planning.* We promote business continuity plans ("BCPs") for office buildings and implement disaster prevention measures at residential properties. We conduct annual disaster prevention and evacuation drills and have established a communication network that tenants can use in emergencies.

  - *Sustainable Promotion Committee*. In 2021, the Asset Manager established the Sustainable Promotion Committee, composed of the President & CEO and other full-time Directors, the Head of each Department, and the Compliance Officer, in order to address matters related to sustainability. The Sustainable Promotion Committee convenes at least twice a year to review and discuss concrete targets and measures, track progress and establish action plans to achieve concrete targets, to promote environmental awareness and implement other sustainability initiatives. The Sustainable Promotion Committee also contributes to discussions for the NTT Group on ESG management in the real estate sector.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by NUD?

We use the following indicators to measure the attainment of the environmental or social characteristics we promote.

- *Sustainability certifications*. To track the environmental performance of our properties, we rely on certifications issued by third-party organizations.

  - *CASBEE Real Estate Certification*. CASBEE (Comprehensive System for Building Environmental Efficiency) is a system established under the leadership of Japan's Ministry of Land, Infrastructure, Transport and Tourism for the purpose of recognizing and assessing well-managed properties with significant environmental benefits. As of April 30, 2026, we had received the S rank for 12 properties and the A rank for nine

properties in a ranking system composed of S (superior), A (very good), B+ (good), B- (slightly poor) and C (poor).

- *DBJ Green Building Certification*. To promote the environmental performance, security measures and disaster prevention measures at properties, the DBJ Green Building Certification system assesses and certifies buildings using a scoring model developed by the Development Bank of Japan ("DBJ"). As of April 30, 2026, we had received five stars for one property, four stars for six properties and three stars for 16 properties out of a maximum rating of five stars.

- *Building-housing Energy-efficiency Labeling System (BELS) Assessment*. The BELS system was created for the purpose of implementing accurate evaluation and labeling of nonresidential buildings' energy-efficiency performance by third-party organizations based on the evaluation guidelines for energy-efficiency labeling for non-residential buildings issued by the Ministry of Land, Infrastructure, Transport and Tourism of Japan in October 2013. As of April 30, 2026, we had received five stars for one property and three stars for two properties out of a maximum rating of five stars.

- *Low-Carbon Model Building Benchmark*. In May 2012, the Low-Carbon Model Building Benchmark was established by the Tokyo metropolitan government for the purpose of creating a real estate market that values low-carbon buildings. As of April 30, 2026, we had received the A4 rank, the A3 rank, the A2+ rank, the A2 rank, the A2- rank, the A1 rank and the A1- rank for one property each, respectively, out of the ranking system featuring A4 (CO_2 emissions are under 55% compared to the average emissions), A3+ to A3- (CO_2 emissions are 55% or more and 70% or less compared to the average emissions), A2+ to A2- (CO_2 emissions are 70% or more and 85% or less compared to the average emissions), A1+ to A1- (CO_2 emissions are 85% or more and 100% or less compared to the average emissions), B2+ to B2- (CO_2 emissions are 100% or more and 115% or less compared to the average emissions), B1 (CO_2 emissions are 115% or more and 150% or less compared to the average emissions) and C (CO_2 emissions are not less than 150% compared to the average emissions).

- *GRESB Real Estate Assessment and Rating*. Established by European pension fund groups, GRESB is a benchmark for measuring real estate companies' and institutional investors' commitment to sustainability. Leading European, U.S., and Asian institutional investors use this benchmark in selecting investment targets. In the 2026 GRESB Real Estate Assessment, we acquired the "Green Star," which is the highly evaluated rating and is given based on evaluation of the management component, which evaluates policies and organizational structure for ESG promotion, and the performance component, which assesses environmental performance and tenant engagement of properties owned, for the tenth consecutive year. In addition, also in 2026, we received "3-Stars" in the 5-star GRESB Rating, which is an overall rating given based on the global ranking, out of a maximum rating of five. We also received the A rank, which is the highest rank, regarding the GRESB Disclosure Assessment due to our eminent information disclosure in 2026 for the seventh consecutive year.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

Not applicable.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

Principal Adverse Impact

Does NUD consider principal adverse impacts on sustainability factors?

We collect on an ongoing basis select information on our existing portfolio regarding the principal adverse impact indicators, including exposure to fossil fuels through investment assets, exposure to energy-inefficient investment assets, GHG emissions and energy consumption intensity. We aim to manage the risk connected to principal adverse impacts from our investment decisions in several ways, including general screening criteria and due diligence.

- *Exposure to fossil fuels through assets*. We do not invest in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels.

- *Exposure to energy-inefficient investment assets*. We consider properties other than Eligible Green Assets (as defined below), to be energy-inefficient. As of April 30, 2026, 25.0% of our properties were not Eligible Green Assets, and as of October 31, 2025, 24.5% of our properties were not Eligible Green Assets based on acquisition price. As described in more detail above, we implement appropriate measures to reduce the environmental impact of these properties, including by obtaining environmental certifications.

- *Energy consumption intensity*. Energy consumption intensity of the office buildings in our properties was 0.179 MWh/m^2 in FY2023 and 0.179 MWh/m^2 in FY2024.

We believe that investment decisions that negatively affect climate or other environment-related resources, or have negative implications for society, can have a significant impact to risk and value creation for our unitholders. To this end, we consider the principal adverse impacts of our investment decisions on the above sustainability factors throughout all major steps of the investment decision and management process throughout the lifecycle of the properties in our portfolio.

Investment Strategy

What investment strategy does NUD follow?

We take into account sustainability in our investment process as follows.

- *Investment policy*. We primarily invest in office buildings and residential buildings located in metropolitan areas to achieve stable growth and stable revenues.

- *Due diligence*. When acquiring a property, we conduct due diligence review and investigate soil contamination and toxic substances such as asbestos and PCBs. We obtain real estate appraisal reports and engineering reports in addition to receiving disclosures from the sellers.

- *Selection of properties*. An investment decision is made upon comprehensive review of a number of factors, including the mid-term to long-term real estate market trends, profitability, the property's scale, specifications and environment. In this decision-making process, we evaluate environmental issues discovered through due diligence review. Furthermore, we have established a green finance framework to conduct green financing.

    - *Green Finance Framework*. Green finance refers to financing with loans obtained or securities issued for the purpose of acquiring assets needed for green projects (i.e. environmentally friendly investments and/or projects). In general, green finance is conducted in accordance with the Green Bond Principles stipulated by the International Capital Markets Association. Our green finance framework consists of green bonds and green loans where proceeds obtained through green finance are allocated as funds for acquiring Eligible Green Assets (as defined below) or refinancing for funds to acquire Eligible Green Assets. As of April 30, 2026, we had issued ¥18.4 billion in green bonds and green loans under our green finance framework.

- *Eligible Green Assets*. Eligible Green Assets are assets that have received or are expected to receive one of DBJ Green Building certification (3-star rating or better), CASBEE Real Estate certification (B+ ranking or better), BELS Assessment (3-star rating or better) and Leadership in Energy & Environmental Design (LEED) certification (Silver ranking or better) or assets whose Energy Reduction Rate (ERR), an energy efficiency indicator established under Act on Improvement of Energy Consumption Performance of Buildings, is 30% or more. Eligible Green Assets are selected by the Asset Manager's Finance Department.

- *Third-party Eligibility Assessment*. Our Green Finance Framework has been evaluated by Japan Credit Rating Agency, Ltd. (JCR) pursuant to the JCR Green Finance Evaluation Framework. JCR evaluates whether any given project conducted in accordance with our Green Finance Evaluation Framework may be deemed to be a green project as well as our management/operations and transparency. Our Green Finance Framework was assigned "Green 1(F)," the highest evaluation grade under the JCR Green Finance Evaluation Framework by JCR in 2024 following 2021.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by NUD?

A binding element of the investment strategy is our green finance framework, which involves determination of whether a target property has satisfied certain criteria to qualify as an Eligible Green Asset. The Eligible Green Assets are evaluated and selected based on sustainability policies and relevant criteria and selected by the Asset Manager's Finance Department, subject to approval by the Board of Directors of NUD following an Investment Committee meeting among the Asset Manager's executives. The criteria are disclosed on our website.

We also annually update and disclose the appropriations status of green financing proceeds and the balance of green financing proceeds, as long as the balance of green financing proceeds remains.

In addition, when we select assets for investment, we investigate legal compliance, whether there are toxic substances such as asbestos and PCB, whether there is soil contamination and other factors through our due diligence.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

In March 2021, the Asset Manager established the Sustainable Promotion Committee, composed of the President & CEO and other full-time Directors, the Head of each Department and the Compliance Officer, in order to address matters related to sustainability. The Sustainable Promotion Committee convenes at least twice a year to review and discuss concrete targets and measures, track progress and establish action plans to achieve concrete targets, to promote environmental awareness and implement other sustainability initiatives, based on the Sustainability Policy and the discussion in the committee.

Prior to our investment in a property, we conduct due diligence review of the property, including building safety and soil contamination. We also do not consider investing in properties that do not meet the standards for soil contamination and other environmental contamination in accordance with the Air Pollution Control Act and the Soil Contamination Countermeasures Act of Japan and other environmental laws and ordinances, unless the defects are deemed curable immediately after the investment.

What is the policy to assess good governance practices of the investee companies and NUD?

NUD invests directly or indirectly through trust beneficiary interests in real estate and real estate-related assets. Therefore, due diligence review (including the assessment of good governance practices) in relation to investee companies is not applicable.

While there is no third-party rating used for assessment of NUD's governance practices, NUD and the Asset Manager have introduced the following measures to assess and enhance NUD's governance systems:

- *Internal audit system*. In order to ensure that we have appropriate operational structure subject to an effective internal audit system, we have established the Compliance Section, which is in charge of compliance-related matters, and appointed the Compliance Officer, who supervises compliance-related matters and monitors compliance.

- *Related-party transactions.* NUD is not allowed to carry out a related-party transaction if the transaction value exceeds a certain threshold, without the approval of NUD's Board of Directors.

- *Adoption of performance-linked asset management fees.* NUD pays performance-linked fees based on asset value to the Asset Manager to align the interest of NUD's unitholders and the interest of the Asset Manager.

- *Reinforcement of corporate governance.* We conduct compliance training to ensure officers and employees maintain a high level of compliance awareness (six times in FY2024 and six times in FY2025). Also, we disclose our decision-making process to ensure transparency and promote compliance, with respect to which responsibilities are broken up as follows:

  - *Compliance Section*: In charge of compliance-related matters such as establishment and review of compliance manuals, investigation into matters referred by the Investment Committee, compliance training, and monitoring the property acquisition process;

  - *Compliance Officer*: Supervise compliance-related matters and monitor compliance by managing compliance manuals, reporting compliance status to the Compliance Committee, participating in Investment Committee meetings and liaises with the Compliance Committee as necessary; and

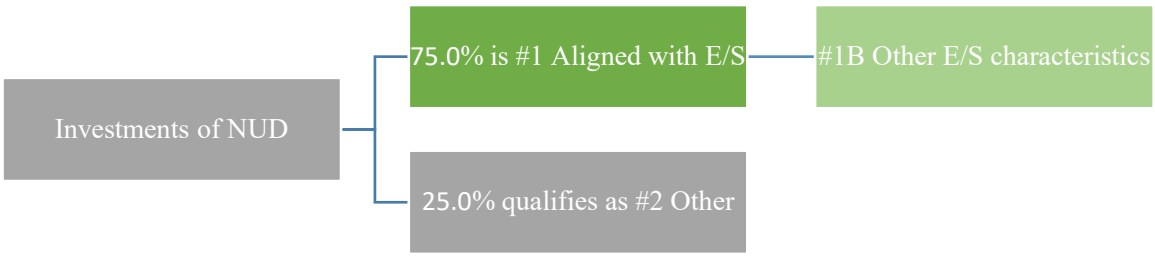
  - *Compliance Committee*: Deliberate on and adopt resolutions on the matters approved by the Compliance Officer.

- *Information disclosure*: We proactively disclose information on ESG matters such as the status of environmental certificates and assessments.

Asset Allocation

What is the asset allocation planned for NUD?

As of April 30, 2026, 75.0% of the properties in the portfolio were Eligible Green Assets, and 25.0% were nonqualified assets based on acquisition price.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by NUD?

Not applicable.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable.

Does NUD invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?

Not applicable. NUD does not invest in real estate assets involved in fossil gas and/or nuclear energy-related activities.

What is the minimum share of investments in transitional and enabling activities?

Not applicable.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

What investments are included under "#2 Other," what is their purpose and are there any minimum environmental or social safeguards?

As of April 30, 2026, 25.0% of our properties were not Eligible Green Assets based on acquisition price. We have invested in properties that are not Eligible Green Assets, such as office buildings and residences, in accordance with our investment guidelines. In most of those cases, we could not obtain the cooperation of the previous property owners to obtain environmental certifications prior to our acquisitions, and we will do our best to obtain appropriate environmental certifications in due course. We investigate the presence of harmful substances, the history of past land usages and the environment of the soil when investing in properties. We invest only in properties for which appropriate measures have been taken under the Soil Contamination Countermeasures Act of Japan and other environmental laws and ordinances.

Index as Reference Benchmark

Is a specific index designated as a reference benchmark to determine whether NUD is aligned with the environmental or social characteristics that it promotes?

NUD does not have a specific index designated as a reference benchmark to determine whether NUD is aligned with the environmental or social characteristics that it promotes. However, our investment units have been included in the Nikkei ESG-REIT Index ("Nikkei ESG") since 2020. Nikkei ESG is an index composed of Tokyo Stock Exchange-listed REITs, which are included based on GRESB's evaluations on ESG indicators. Its constituents are reviewed and updated once a year.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by NUD?

Not applicable.

Where can the methodology used for the calculation of the designated index be found?

The methodology used for the calculation of the designated index can be found on the website: https://indexes.nikkei.co.jp/en/nkave/index/profile?idx=nk225

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

We ensure the alignment of our investment strategy with the methodology of Nikkei ESG through investments in energy saving or environmentally certified buildings.

How does the designated index differ from a relevant broad market index?

See above.

More Product-specific Information

Where can I find more product-specific information online?

More product-specific information can be found on the website: https://nud-reit.co.jp/en/esg/index.html.

Note Regarding the EU Taxonomy Regulation

As set out above, NUD promotes certain environmental characteristics.

The Asset Manager is required, under Regulation (EU) 2020/852 (the "EU Taxonomy Regulation"), to disclose whether its assets are aligned with the environmental objectives formulated in the EU Taxonomy regulation. The EU Taxonomy Regulation is complemented by technical standards and screening criteria. The technical screening criteria for the first two environmental objectives (climate change mitigation and climate change adaptation) were adopted in December 2021 and amended in June 2023. The amended criteria apply as of January 1, 2024. The technical screening criteria for the other four environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems) were adopted in June 2023. They apply as of January 1, 2024.

NUD invests in economic activities that are eligible under the EU Taxonomy Regulation in respect of climate change mitigation and/or climate change adaptation. This means that screening criteria for these investments have been or will be developed. The Asset Manager expressly states that in view of the fact that the regulations are still under development or have only recently been adopted and/or amended and the fact that, as a result thereof, data on alignment of NUD's investments with these environmental objectives and climate related goals in line with EU Taxonomy Regulation are not sufficiently available, the Asset Manager is not currently in a position to disclose on an accurate and reliable basis to what extent NUD's investments technically qualify as Taxonomy-aligned or "environmentally sustainable" within the specific meaning of the EU Taxonomy Regulation. NUD's investments may have a positive contribution to these environmental objectives and may therefore eventually be considered Taxonomy-aligned, but at this stage, the Asset Manager is required to state that there is no minimum proportion of NUD's investments that qualify as such.

The Asset Manager further states that the "do no significant harm" principle applies only to those investments underlying the financial product that takes into account the EU criteria for environmentally sustainable economic activities. The investments underlying the other portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

INTEGRATION OF SUSTAINABILITY RISKS IN THE INVESTMENT DECISIONS, AND THE IMPACT OF SUCH RISKS ON THE RETURNS OF NUD (SFDR ARTICLE 6 DISCLOSURE)

NUD and the Asset Manager address sustainability risks by taking into account environmental, social and governance, or ESG, factors in our investment decision process and on a continuous basis.

We have established the Sustainable Promotion Committee to review sustainability targets and measures in accordance with our Sustainability Policy. The Sustainable Promotion Committee convenes at least twice a year to review concrete targets and measures, track the status of progress and instruct as required under the objective of promoting environmental awareness and other sustainability such as information disclosure and cooperation with our external stakeholders, based on the Sustainability Policy. Furthermore, we have established green finance framework that consists of green bonds and green loans where proceeds obtained through green finance are allocated as funds for acquiring Eligible Green Assets or refinancing for funds to acquire Eligible Green Assets.

As stated above, we have instituted a number of initiatives, at both the portfolio level and the property level, to promote the environmental and social characteristics. Such initiatives include energy-saving initiatives, waste management initiatives and initiatives for employees.

While sustainability issues will severely impact our business activities, we believe that such issues may also become potential business opportunities to create new value for sustainable growth. Accordingly, we position our commitment to sustainability as a top priority in our management strategies. We also believe that integrating sustainability factors alongside traditional financial and operational metrics in our investment decision process helps us make a more holistic assessment of a property's risks and opportunities and is commensurate with the pursuit of superior risk-adjusted returns.

Physical risks

The assets in which NUD invests are exposed to physical climate risks. These can manifest themselves through, for example, floods, storms, heat and limited access to natural resources. This can mean that the assets in which the fund invests become worthless. Specifically for NUD, the following risk is particularly relevant.

Flood risk: for NUD this is a relevant risk because some of the assets in which NUD invests are located in an area with a flood risk. If flooding occurs in this area, this will probably have a negative effect on the value of these assets. This may include physical damage to the properties and tenants' premises. The Asset Manager addresses this by improving resilience through countermeasures for rising tides and enhancing portfolio resilience through disaster supplies and comprehensive business continuity measures, etc.

Transition risks

The assets in which the fund invests are exposed to transition risks. These can manifest themselves through, for example, changes in regulations, technical developments and/or social developments. Such developments may mean that the assets in which the fund invests become worthless. Specifically for NUD, the following risk is relevant.

General transition risk: NUD generally invests in real estate. New government policy, technical developments and/or changes in consumer preferences may affect the operation of these real estate assets. Such developments may result in, among other things, an increase in operating costs resulting from the introduction of a carbon tax. The Asset Manager addresses this through introducing renewable energy, reducing waste (incinerator, landfill), promoting GHG emission reduction across the supply chain through green procurement, setting carbon reduction targets, introducing Environmental Management System and monitoring GHG emissions for the entire portfolio.