

ANNEX II

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: LaSalle LOGIPORT REIT
Legal entity identifier: 353800II3DI1RPKBB314

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> 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 <ul style="list-style-type: none"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments



What environmental and/or social characteristics are promoted by this financial product?

LaSalle LOGIPORT REIT (hereafter referred to as “LLR” or the “Fund”) is an investment corporation that was incorporated on October 9, 2015 under the Act on Investment Trusts and Investment Corporations of Japan (Act No. 198 of 1951 as amended, the “Investment Trust Act”). LLR was listed on the Real Estate Investment Trust (“REIT”) Section of the Tokyo Stock Exchange on February 17, 2016 (securities code: 3466). Asset management is conducted by LaSalle REIT Advisors K.K. (hereafter referred to as “LRA”), in accordance with the Investment Trust Act, and the investment targets and policies set forth in LLR’s Articles of Incorporation.

LLR has no employees in accordance with the prohibition on having employees under the Act on Investment Trusts and Investment Corporations of Japan, and relies on LRA, to manage and operate the properties in its portfolio. LLR and LRA are hereinafter referred to collectively as “we,” “us” or “our.” References to “fiscal period” or “FP” are to the six-month periods ending February and August of each year, unless noted otherwise.

LLR’s basic philosophy is to increase unitholder value through stable, long-term growth in cash flow and asset value. We believe that the implementation of best practices related to environmental, social and governance matters helps to mitigate risks and contributes to the sustainable improvement of unitholder value and is consistent with the basic philosophy set forth by the Investment Corporation.

LLR specifically promotes environmental characteristic as follows:

- Energy & Carbon: reduction of greenhouse gas (“GHG”) emissions and the efficient use of energy.
- Climate Adaptation: contribution to the process of adjustment towards a low carbon economy and to the reduction of the adverse physical effects of climate change (such as floods) through adaptation measures.

For the purpose of this Annex II, the Fund does not promote any social characteristics.

● *What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?*

Indicators used to measure the attainment of these environmental characteristic include:

- GHG emissions (Scope 1, Scope 2, Scope 3 and Total) (PAI 18 Table 2) and energy consumption intensity (PAI 19 Table 2).
- Environmental certifications: Comprehensive Assessment System for Built Environment Efficiency (“CASBEE”) for real estate certification and Building-Housing Energy-Efficiency Labeling System (“BELS”) certification.

To assess these indicators, management systems are established and sustainability due diligence is performed annually.

The specifics of each of our targets and the corresponding metrics are as follows:

- With regard to electricity consumption in the portfolio, we aim to obtain electricity consumption data for all properties by 2030 (target set in 2022), and will monitor monthly electricity consumption per unit of production on a gross floor area basis as a KPI. In addition to the KPI mentioned above, we will also monitor GHG emissions per unit on a gross floor area basis. We will aim to reduce emissions per unit by 50% by 2030 compared to 2019 emission levels.
- In order to enhance transparency and reliability of the environmental performance of the properties we manage, we have been promoting the acquisition of environmental

certifications by setting a target to achieve a 100% acquisition rate of environmental certifications by the end of 2025.

● ***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. LRA promotes environmental characteristic, but does not have a sustainable investment objective and does not make sustainable investments.

● ***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.

— *How have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable.

— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes

No

Yes, the Fund considers principal adverse impacts on sustainability indicators. LRA takes account of both mandatory and some non-mandatory adverse impacts applicable to investment in real estate assets as a part of each Sustainability Due Diligence and annual review.

Principal adverse impacts applicable to investment in real estate assets considered by LRA on behalf of the Fund include:

Adverse Sustainability Indicator	Metric
Mandatory	
Climate and other environment-related indicators: Indicators applicable to investments in real estate assets	
17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels
18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets
Non-Mandatory	
Additional climate and other environment-related indicators: Indicators applicable to investments in real estate assets	
18. GHG emissions	Scope 1, Scope 2, Scope 3 GHG emissions generated by real estate assets (for the purpose of this Annex II, Scope 3 emissions shall comprise tenant purchased energy where such information is available)
19. Energy consumption	Energy Use (measured in kWh or kBtu) of real estate assets per square foot

LRA endeavours to collect the information and data required to support disclosure of the principal adverse impacts listed above. If the relevant data is not available in respect of a particular real estate investment (or targeted real estate investment), the Advisor uses appropriate proxy data to provide estimated energy consumption and GHG data, and will disclose the portion of actual and estimated data used in reporting.

LRA discloses information with respect to the principal adverse impacts in accordance with the requirements set out in the Regulatory Technical Standards (RTS) to the Disclosure Regulation. For the purpose of such disclosures, it is noted that in those cases where data relating to a sustainability indicator used is not readily available, details of the best efforts used to obtain the information is also provided (these may include carrying out additional research, utilizing third party data providers or external experts or making reasonable assumptions).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti - corruption and anti - bribery matters.



What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund invests in logistics facilities and intends to build a high-quality portfolio with a focus on prime logistics facilities, which are located in areas well suited to logistics operations and with large-scale and high functionality building specifications. When acquiring new assets, the Investment Committee conducts a review of sustainability risks as part of the due diligence process and evaluates the identified risks before making an investment decision. LRA has established an ESG Committee as an advisory body for the promotion of ESG, which deliberates on the formulation of basic policies, strategies, targets or plans for the promotion of ESG and monitors progress in relation to these.

- ***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 this financial product?***

Findings from due diligence review conducted prior to an acquisition of a property, including soil contamination, flooding risk/history, energy efficiency, environmental certifications, water efficiency, waste management, and safety of building materials, are binding on our investment strategy, and we will not acquire a property that does not meet certain criteria based on such findings. We also take into account the acquisition of green building certifications and environmental performance including CO2 emissions, which promotes acquisition of properties with high environmental performance.

The Fund Manager will undertake reasonable commercial endeavours to procure that not less than 60% of the portfolio of the Fund (calculated as a proportion of total gross asset value (“GAV”) of the Fund excluding liquid assets from such calculation aligns with the environmental characteristics promoted by the Fund, as assessed by the sustainability due diligence.

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

Not applicable.

- ***What is the policy to assess good governance practices of the investee companies?***

We invest directly or indirectly through trust beneficiary interests in real estate. Therefore, due diligence (including the assessment of good governance practices) in relation to investee companies is not applicable to us.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



What is the asset allocation planned for this financial product?

The graph below is a target only and there is no assurance that this target asset allocation will be achieved. The planned asset allocation indicated below may be revised from time to time.

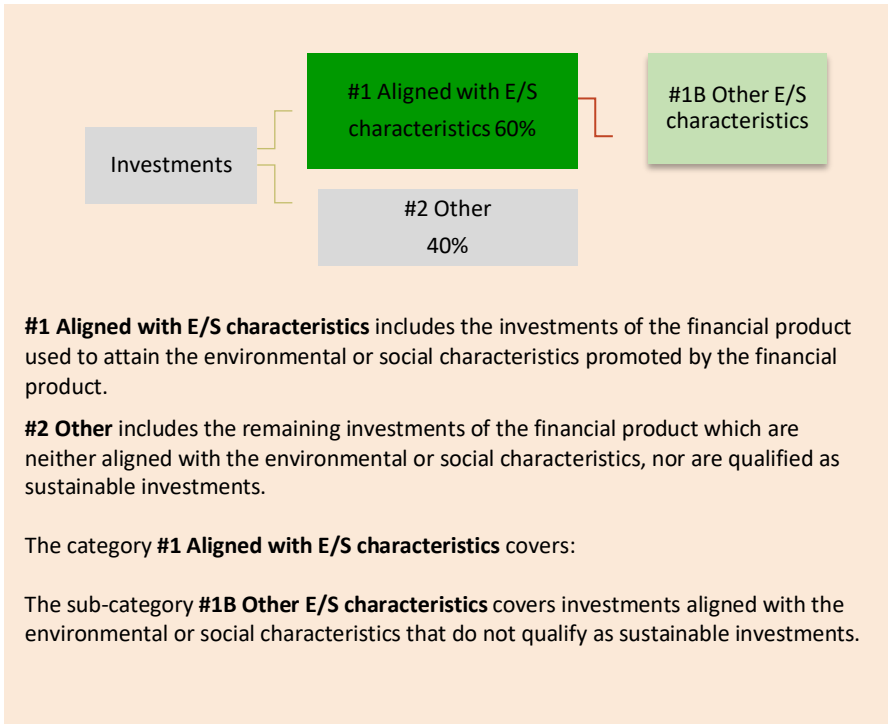
The planned minimum proportion of the investments of the Fund aligned with environmental characteristics in category #1B is expected to be 60% of total GAV of the Fund excluding liquid assets subject to further considerations set out in this Annex II.

The remaining “Other” investments in category #2 is expected not to represent more than 40% of total GAV of the Fund excluding liquid assets a subject to further considerations set out in this Annex II.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



● *How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?*

Not applicable.



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

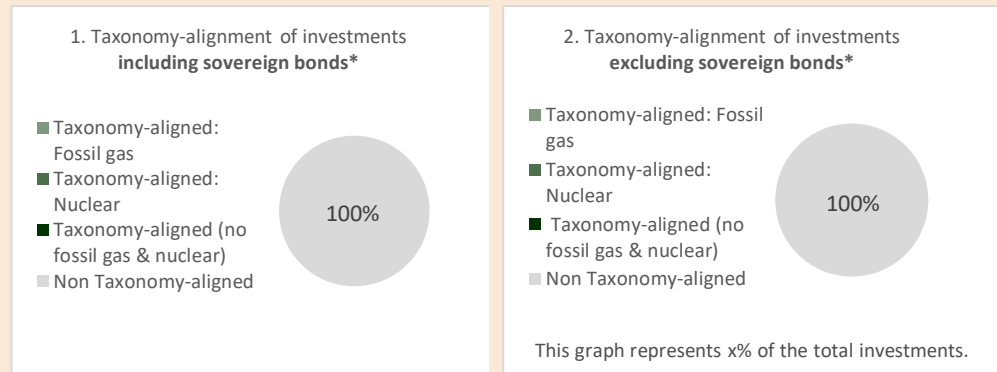
Not applicable.

● *Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?*

- Yes:
 - In fossil gas
 - In nuclear energy
- No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **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?

All new acquisitions of real estate are assessed via the Sustainability Due Diligence process. The same criteria are reviewed annually for each existing property within the real estate portfolio.

Some real estate investments do not meet the criteria which allows the Fund Manager to assert that they support the environmental characteristics promoted by the Fund pursuant to Sustainability Due Diligence. Accordingly, such portion of the portfolio will be held as part of the 40% ‘Other’ allocation.

The Fund may acquire (or already hold) real estate assets that do not align with the environmental characteristics promoted by the Fund (and they may never do so). Notwithstanding that certain real estate may be treated as being in transition pursuant to a business and accordingly not held as part of the 40% “Other” allocation (as described above), the Fund Manager will periodically assess if real estate should be re-categorised for the purpose of both the 40% “Other” allocation and the 60% “aligned” allocation.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

LRA does not designate a reference benchmark.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://lasalle-logiport.com/english/>