

July 7, 2026

Diamond Realty Management Inc.

**Announcement of Establishment of Sustainability-Linked Finance Framework  
and Execution of Sustainability-Linked Loan by DREAM Private REIT Inc.**

Diamond Realty Management Inc. (hereinafter “DREAM”) is pleased to announce that DREAM Private REIT Inc. (hereinafter “DPR”), for which it is entrusted with asset management, has established a Sustainability-Linked Finance Framework (hereinafter the “Framework”) and has executed its first sustainability-linked loan (hereinafter “SLL”).

**1. Financing through Sustainability-Linked Loan**

DREAM and DPR have actively promoted ESG/SDGs initiatives based on the recognition that owning properties with high sustainability and implementing environmentally conscious initiatives are important factors in fund performance for private REITs with no fixed maturity date. In terms of financing, DPR executed the first green loan among private REITs in Japan in January 2020, and the outstanding balance has expanded to approximately 90.0 billion yen as of today.

In addition, against the backdrop of growing social interest in ESG, it has become increasingly important to expand financing methods that incorporate sustainability considerations. Under these circumstances, DPR established the Framework and obtained financing through SLL in order to expand financing methods aligned with ESG.

Unlike green loans, which limit the use of proceeds to specific environmental projects, SLLs are structured so that borrowing terms vary depending on the achievement of pre-determined Sustainability Performance Target (hereinafter “SPT”), thereby providing incentives to promote DPR’s ESG initiatives from a financial perspective.

**2. Establishment of the Framework**

Through the Framework, DPR defines SLL requirements in a standardized manner and will apply them to future borrowings, enabling execution of SLLs without obtaining a third-party evaluation each time financing is procured.

In establishing the Framework, DPR has obtained a third-party evaluation from Japan Credit Rating Agency, Ltd. (hereinafter “JCR”) regarding the reasonableness of the SPT set.

### 【Overview of the Framework】

The Framework mainly consists of the following elements.

Component	Contents
KPI	Reduction rate of GHG emissions intensity
SPT	Achieve a GHG emissions intensity reduction rate that is consistent with a 75% reduction by 2030 (from the 2016 base year) and net zero by 2050.
Financing characteristics	Interest rate varies depending on the achievement status of the SPT. If achieved: reduced; If not achieved: maintained at the initially applied interest rate (or increased if previously reduced).
Reporting	Report KPI results and achievement status to lenders each fiscal year.
Third-party verification	Energy data is verified by an external organization.

\* JCR SLL evaluation report: (Japanese only)

<https://www.jcr.co.jp/download/b1506029cc89c4ccbcaff42d1f0c8d1702e262c4f20a8a9286/26d0348.pdf>

### 3. The SLL

The SLL is a borrowing that conforms to the Framework evaluated by JCR, a third-party organization. In addition, under the SLL, the SPT has been set as follows based on the targets established in accordance with the materiality identified by DPR.

#### 【Overview of the SLL】

Lender	The Norinchukin Bank
Loan Amount	1.0 billion yen
Loan Term	5 years
Use of Proceeds	Refinancing of existing borrowings
Feature	Interest rate varies depending on the achievement status of the SPT

Under the SLL, the achievement status of the SPT set forth below will be linked to the lending conditions.

Determination Date	SPT	Applicable Interest Rate
①End of December 2026 ②End of December 2029	Achieve a GHG emissions intensity reduction rate consistent with a 75% reduction by 2030 (from the 2016 base year) and net zero by 2050 (Note).	Upon achievement of the SPT: 0.01% reduction from the initially applied interest rate. If the SPT is not achieved: maintained at the initially applied interest rate (or increased if previously reduced)

(Note) Targets consistent with DPR's GHG emissions intensity reduction targets (75% reduction by 2030 compared with FY2016 and net zero by 2050) are set for each fiscal year, and whether the interest rate is reduced or not will be determined based on disclosed data and other information as of each determination date.

#### 4. Outlook

Through this initiative, DREAM and DPR will diversify financing methods aligned with ESG and strengthen relationships with financial institutions, while expanding financing opportunities that take sustainability into consideration not only for investors but also for lenders.

DREAM and DPR will continue to promote ESG/SDGs initiatives and diversify their financing methods through SLLs and green loans that evaluate these initiatives, thereby providing investors with investment opportunities in green financial products.

**Overview of DREAM Private REIT Inc.**

Location : 16-1, Hirakawacho 2-chome, Chiyoda-ku, Tokyo  
Representative : Executive director, Masafumi Manno  
Executive director, Soutarou Kamide  
Established : July 2012

**Overview of Diamond Realty Management Inc.**

Head Office : 16-1, Hirakawacho 2-chome, Chiyoda-ku, Tokyo  
Business activities : Formation and management of real estate funds, advisory and consulting services  
Shareholder composition : Mitsubishi Corporation (100%)  
Representative : President and CEO, Masafumi Manno  
Established : October 2004

**For inquiries regarding press releases, please contact**

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