

(1) Corporate Governance

1. Hulic Reit's Corporate Governance

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The bodies involved in the operation of Hulic Reit consist of one executive officer, three supervisory officers, a board of directors with the executive officer and supervisory officers as members, and an accounting auditor, as well as a general meeting of unitholders made up of unitholders. (Note 1) (Note 2)

Hulic Reit's accounting auditor is Ernst & Young ShinNihon LLC.

(Note 1) Investment Trusts Act and Hulic Reit's Articles of Incorporation, the number of supervisory officers must be at least one more than the number of executive officers.

(Note 2) Hulic Reit is legally prohibited from employing employees and legally required to outsource business operations. For details on the bodies above, please refer to "Chapter 1. Fund Information; Part 1. Fund Status; 1. Overview of the Investment Corporation; (4) Structure of the Investment Corporation" of the most recent securities report.

Executive Officers and Supervisory Officers

■ Executive Officers and Supervisory Officers in Office and Their Terms of Office

Please refer to Hulic Reit's website for the executive officers and supervisory officers in office.

<https://www.hulic-reit.co.jp/en/about/profile.html>

Hulic Reit's Articles of Incorporation provides that the term of office of executive officers and supervisory officers shall be two years.

■ Criteria for Selecting Executive Officers and Supervisory Officers

Officers are appointed by resolution of the General Meeting of Unitholders from candidates selected for the reasons given below on the condition that they do not fall under any grounds for disqualification or prohibition of entrustment provided in the Investment Trusts Act or other laws and regulations (disqualification under Article 98 and Article 100 of the Investment Trusts Act and Article 164 of the Regulation for Enforcement of the Investment Trusts Act or prohibition of entrustment under Article 200 of the Investment Trusts Act and Article 244 of the Regulation for Enforcement of the Investment Trusts Act).

At the Seventh General Meeting of Unitholders held on May 28, 2025, Hulic Reit resolved that, from June 1, 2025, the total number of executive officers and supervisory officers would be set at four (two male and two female). As a result, the percentage of female officers at Hulic Reit will remain 50.0%, and we are progressing with the strengthening of governance and promotion of diversity.

Title	Name	Reason for appointment	Attendance at Board of Directors Meetings in Most Recent Period (22nd Fiscal Period)	Number of Hulic Reit units owned
Executive Officer	Kazuaki Chokki (Male)	Mr. Chokki is the President and CEO of Hulic REIT Management, which Hulic Reit has contracted to handle management of its assets. He is thus considered qualified to be the person to carry out the management of Hulic Reit.	100% (8 of 8)	51 units (Note)
Supervisory Officer	Rika Nakamura (Female)	Ms. Nakamura has practical experience and insight as a certified public accountant and a certified public tax accountant. She is thus considered qualified to be the person to supervise the execution of business of the executive officer from an accounting and tax expert's perspective.	100% (8 of 8)	—
	Takayuki Tomioka (Male)	Mr. Tomioka has practical experience and insight as an attorney. He is thus considered qualified to be the person to supervise the execution of business of the executive officer from a legal expert's perspective.	100% (8 of 8)	—
	Noriko Kinoshita (Female)	Ms. Kinoshita has practical experience and insight as a real estate appraiser. She is thus considered qualified to be the person to supervise the execution of business of the executive officer from a real estate investment expert's perspective.	100% (8 of 8)	—

(Note) The number of investment units held under the name of Hulic REIT Management's and Hulic's directors' unitholding society as of the date stated in the securities report for the 22nd fiscal period (fiscal period ended February 2025).

Management Fees, Etc.

The following are the management fees, etc. payable by Hulic Reit.

■ Remuneration for Officers and the Accounting Auditor

Provisions have been made in Hulic Reit's Articles of Incorporation that the amount of remuneration shall be an amount determined by the Board of Directors not to exceed a monthly amount of 1 million yen per person in the case of executive officers and not to exceed a monthly amount of 0.7 million yen per person in the case of supervisory officers.

Title	Name	Total Amount of Remuneration for Each Position in 22nd Fiscal Period
Executive Officer	Kazuaki Chokki	— (Note)
Supervisory Officer	Rika Nakamura	¥3,000 thousand
	Takayuki Tomioka	¥3,000 thousand
	Noriko Kinoshita	¥3,000 thousand

(Note) He concurrently serves as President and CEO of Hulic REIT Management and is not paid remuneration as Executive Officer of Hulic Reit.

Provisions have been made in Hulic Reit's Articles of Incorporation that the amount of remuneration for the accounting auditor shall be an amount determined by the Board of Directors not to exceed 30 million yen in each fiscal period subject to audit.

Title	Name	Total Amount of Remuneration in 22nd Fiscal Period
Accounting Auditor	Ernst & Young ShinNihon LLC	¥13,600 thousand ^(Note)

(Note) Includes compensation for auditing English financial statements.

For the actual amount of remuneration paid to officers and the accounting auditor for the fiscal period, please refer to "2. Overview of the Investment Corporation; (3) Matters relating to officers, etc." of the most recent asset management report.

■ Asset Management Fee

In addition to management fees linked to the total value of assets of Hulic Reit, a system of management fees linked to the value of cash distributions per investment unit has been introduced.

For the actual amount of remuneration for the fiscal period, please refer to "5. Status of Expenses and Liabilities; (1) Details of expenses relating to asset management, etc." of the most recent asset management report.

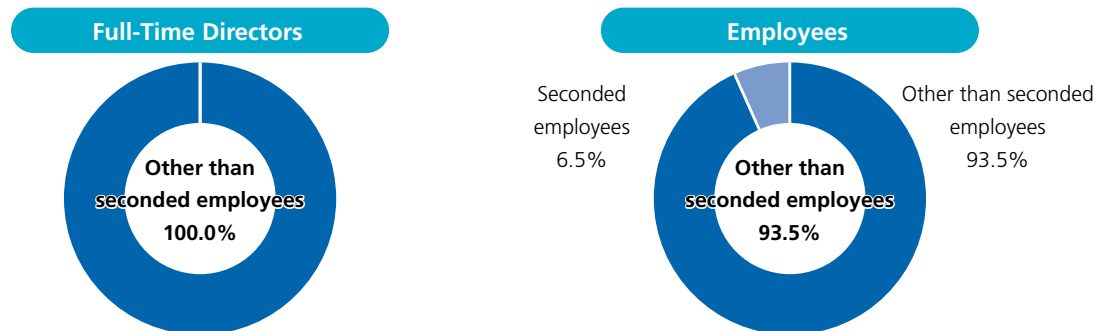
Management fee	Method of calculation
Management fee I	Total value of assets at end of the immediately previous fiscal period × 0.50% (maximum %)
Management fee II	Cash distributions per investment unit (DPU) before deduction of management fee II × Operating income before deduction of management fee II × 0.004% (maximum %)
Acquisition fee	Acquisition price of real estate-related assets × 1.0% (maximum %) *0.5% (maximum %) in the case of acquisition from an interested party
Transfer fee	Transfer price of real estate-related assets × 1.0% (maximum %) *0.5% (maximum %) in the case of transfer to an interested party *No fee is paid in cases where no gain on transfer is generated on the transfer *In the case the transfer fee before adjustment exceeds the gain on transfer, the gain on transfer shall be the transfer fee
Merger fee	Total valuation amount of the real estate-related assets held by the other party to the merger × 1.0% (maximum %) *Only applicable when Hulic REIT Management conducts a survey or assessment on the assets, etc. held by the other party or other work related to the merger for the interests of Hulic Reit and the merger takes effect

For details on the management fees above and other management fees, etc. for the asset custodian, administrative agents, transfer agent, etc., please refer to "Chapter 1. Fund Information; Part 1. Fund Status; 4. Fees, Etc. and Taxes" of the most recent securities report.

2. Hulic REIT Management's Corporate Governance

Breakdown of Full-Time Directors and Employees at Hulic REIT Management

As of the end of June 2025, the four full-time directors at Hulic REIT Management are not employees of the sponsor who have been seconded to Hulic REIT Management; only two employees (6.5% of the total number of employees ^(Note)) are employees seconded.



(Note) The total number of employees includes three officers who have concurrent duties as employees.

Remuneration System for Employees and Officers of Hulic REIT Management

In its remuneration system for employees and officers, Hulic REIT Management has introduced a system of incentive bonuses partially linked to cash distributions per investment unit.

Remuneration for Officers of Hulic REIT Management: Introduction of Performance-Linked Compensation

A compensation system linked with the performance of Hulic Reit's investment unit price relative to the TSE REIT Index has been introduced for the main officers of Hulic REIT Management for the purpose of unifying their interests with unitholders and further strengthening governance, etc. The portion equivalent to approximately 50% of the total amount of remuneration for the main officers is linked with the relative performance of Hulic Reit's investment unit price.

Introduction of Investment Unit Ownership Program for Officers and Employees

For the purposes of raising awareness of earnings improvements and continuous growth, raising unitholder value for the medium and long term, etc. of Hulic Reit, an investment unit ownership program has been adopted for the officers and employees of Hulic REIT Management and Hulic, and a tender offer has been practiced for this program.

All directors, auditors, and executive officers of Hulic REIT Management and Hulic are eligible for and have the right to apply to join the investment unit ownership program for officers (including outsider directors and outside auditors, except for officers who are not remunerated), while all employees of Hulic REIT Management and Hulic are eligible for and have the right to apply to join the investment unit ownership program for employees. The company provides a certain amount of incentive against the amount of contribution to those who have joined the investment unit ownership program for employees.

As of June 30, 2025, all full-time directors of Hulic REIT Management have joined the investment unit ownership program for officers.

3. Initiatives for Aligning Unitholder Return with the Interests of the Hulic Group

Investment Support from the Hulic Group (“Same-Boat Investment”)

Under its sponsor support agreement, Hulic makes the undertakings listed below to Hulic REIT Management in respect of investment units issued by Hulic Reit.

- When Hulic Reit issues new investment units, Hulic will give good faith consideration to acquiring a portion of the new investment units.
- When Hulic has a holding of Hulic Reit investment units, it will seek to retain the investment units held except in special circumstances.

As of the end of the 22nd fiscal period (end of February 2025), Hulic holds 208,800 units (unitholding: 14.50%) of Hulic Reit investment units.

This is due to the additional acquisition of Hulic Reit investment units (hereinafter, the “Additional Acquisition”) by Hulic completed on September 11, 2024. It is believed that the Additional Acquisition makes it even more clear that Hulic’s support for Hulic Reit has strengthened. The Additional Acquisition further unifies Hulic’s interest with those of unitholders of Hulic REIT and the sponsor support is expected to contribute to Hulic Reit’s medium- to long-term growth.

<Status of Hulic Reit Investment Units Held by Hulic Before and After the Additional Acquisition>

	Before the Additional Acquisition	At the Additional Acquisition	After the Additional Acquisition	(Reference) At the New Listing ^(Note)
Total number of investment units issued and outstanding	1,440,000 units	—	1,440,000 units	652,000 units
Number of investment units held by the Sponsor	180,000 units	28,800 units	208,800 units	81,500 units
Percentage of total units outstanding held by the Sponsor	12.50%	2.00%	14.50%	12.50%

(Note) The figure after the third-party allotment following the new listing, with a payment date of March 7, 2014, is noted here.

Co-Ownership of Properties with the Sponsor

It is Hulic Reit’s policy to consider co-ownership with Hulic as needed in view of the size and individual characteristics of the property.