

NEWS RELEASE

**CPP Investments and ESR upsize joint investment
in Korea Income JV to US\$1 billion**

New capital will fund further opportunities in Korean logistics real estate

SEOUL/HONG KONG, 22 April, 2021 – Canada Pension Plan Investment Board (“[CPP Investments](#)”) and ESR Cayman Limited (“ESR”; SEHK Stock Code: 1821) today announced an expansion of their Korea Income Joint Venture (“Korea Income JV”). CPP Investments and ESR will collectively upsize their investment in the vehicle by a further US\$500 million, with CPP Investments contributing the majority of the capital. The new capital will effectively double the size of the venture to US\$1 billion in total equity allocation.

The Korea Income JV was established in 2018 to focus on investments in income producing logistics assets located in major metropolitan areas of South Korea. The portfolio, which is managed by ESR Kendall Square, consisted of 12 institutional-grade modern logistics facilities with an aggregate GFA of 774,666 sqm. Six of the 12 assets were divested to ESR Kendall Square’s Korea Logistics REIT in December 2020.

Jimmy Phua, Head of Asia Real Estate at CPP Investments, said, “Korea is already one of the most developed e-commerce markets in Asia and the pandemic has accelerated the growth in the past year, further fuelling the demand for quality logistics facilities. By expanding our successful joint venture with ESR, we are able to meet the fast-growing demand and strengthen our leadership position in the market, ultimately delivering long-term value for CPP contributors and beneficiaries.”

Thomas Nam, CEO of ESR Kendall Square, ESR’s South Korean platform, remarked, “The upsize of the Korea Income JV is a reflection of the solid performance the vehicle has achieved in the past several years. The positive results demonstrate the strength of our investment strategy and asset management capability as well as the continued confidence of our long-standing capital partner, CPP Investments. The demand and long-term prospects of high quality logistics facilities continue to show stable growth, especially as e-commerce adoption and structural changes in supply chain management have been driven forward during the COVID-19 pandemic. With the increased capital commitment, we will be in an even better position to respond quickly and strategically to opportunities as they arise.”

CPP Investments and ESR have a well-established investment relationship and track record. In addition to the Korea Income JV, the two parties have collaborated on two other joint ventures focused on the Korean logistics sector since 2015.

About CPP Investments

Canada Pension Plan Investment Board (CPP Investments™) is a professional investment management organization that manages the Fund in the best interest of the more than 20 million contributors and beneficiaries of the Canada Pension Plan. In order to build diversified portfolios of assets, investments are made around the world in public equities, private equities, real estate, infrastructure and fixed income. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City, San Francisco, São Paulo and Sydney, CPP Investments is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At December 31, 2020, the Fund totalled C\$475.7 billion. For more information, please visit www.cppinvestments.com or follow us on [LinkedIn](#), [Facebook](#) or [Twitter](#).

About ESR

ESR is the largest APAC focused logistics real estate platform by gross floor area (GFA) and by value of the assets owned directly and by the funds and investment vehicles it manages. Co-founded by its senior management team and Warburg Pincus, ESR and the funds and investment vehicles it manages are backed by some of the world's preeminent investors including APG, SK Holdings, JD.com, CPP Investments, Oxford Properties and PGGM. The ESR platform spans across the People's Republic of China, Japan, South Korea, Singapore, Australia and India. As of 31 December 2020, the fair value of the properties directly held by ESR and the assets under management with respect to the funds and investment vehicles managed by ESR recorded approximately US\$30 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development comprised over 20 million sqm in total. Listed on the Main Board of The Stock Exchange of Hong Kong in November 2019, ESR is a constituent of the Hang Seng Composite Index and MSCI Hong Kong Index. For more information on ESR, please visit www.esr.com.

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