KENEDIX
Retail REIT Corporation

Translation of Japanese Original

March 27, 2019

To All Concerned Parties

REIT Issuer:
Kenedix Retail REIT Corporation
Representative: Akihiro Asano, Executive Director
(Securities Code: 3453)

Asset Manager:
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Notice Concerning Environmental Considerations Rating Obtained from Sumitomo Mitsui Banking Corporation

Kenedix Retail REIT Corporation ("KRR") announced that it was awarded an "A" grade from Sumitomo Mitsui Banking Corporation ("SMBC") in recognition of its commitment to environmental initiatives in asset management, based on SMBC Environmental Considerations Lending Program.

1. Overview of SMBC Environmental Considerations Lending Program

SMBC and the Japan Research Institute developed an evaluation program which takes into consideration corporate environmental initiatives for originating loans.

2. The rating awarded

In conjunction with its environmental initiatives, KRR has been awarded an "A" grade for maintaining high standards pertaining to the environmental management, environmental communication, and the implementation of environmental protection measures.

In particular, the following factors contributed to the favorable grade in the evaluation.

(1) Establishing Sustainability Policies and holding Sustainability Committee meetings every three months by the Asset Manager to promote sustainability measures
(2) Promoting installation of LED lighting, as well as solar panels at Unicus Ina, disclosing assumed CO2 reduction amount in KRR disclosure materials
(3) Entering into green lease agreements with tenants to reduce environmental burden

For the SMBC announcement, please visit the SMBC website:
https://www.smbc.co.jp/news/ (Japanese only)

3. Future measures

KRR will continue to advance environmental and social consideration measures, including enlivening of local community through retail property management.

For KRR's environmental policies and specific efforts, please refer to the following.
KRR's initiatives for sustainability: https://www.krr-reit.com/en/feature/csr.html

KRR's website address: https://www.krr-reit.com/en/

This notice is the English translation of the Japanese announcement on March 27, 2019. However, no assurance or warranties are given for the completeness or accuracy of this English translation.