KENEDIX
Retail REIT Corporation

Translation of Japanese Original

August 30, 2019

To All Concerned Parties

REIT Issuer:
Kenedix Retail REIT Corporation
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(Securities Code: 3453)

Asset Manager:
Kenedix Real Estate Fund Management, Inc.
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Notice of Signing on to the PFA21 by the Asset Manager

Kenedix Real Estate Fund Management, Inc. ("the Asset Manager"), to which Kenedix Retail REIT Corporation ("KRR") entrusts its asset management, has announced that it and Kenedix, Inc., the parent company of the Asset Manager, became a signatory to the Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century ("PFA21")).

1. Signing on to the PFA21

PFA21 has been established by drafting committee with participation of various financial institutions in October 2011 as the action guidelines of financial institutions who seek to fulfill their responsibilities and roles required for the formation of a sustainable society. Signing financial institutions will implement initiatives based on the seven principles below as much as possible based on their own businesses. It has been positioned as a starting point to collaborate without being restricted by business categories, scale or region.

PFA21 Principles for Financial Action for the 21st Century

<The Principles>

1. We will recognize our role and responsibilities, taking into account the precautionary approach, and promote those actions that contribute towards shaping a sustainable society.
2. We will contribute to the formation of a sustainable global society through the development and provision of financial products and services leading to the development and increased competitiveness of "industries contributing to a sustainable society" as represented by the environmental technologies and services sector.
3. From the perspective of regional development and improvement in sustainability performance, we assist the environmental programmes of small and medium enterprises. We will also back activities that will raise environmental awareness amongst citizens and support disaster readiness and community activities.
4. In the formation of a sustainable society we will recognize the importance of cooperation with diverse stakeholders and will not only participate in its activities but will endeavor to take a proactive role.

5. We will not be limited to complying with environmental laws and regulations but will take active steps to reduce our own environmental footprint through resource and energy savings as well as encouraging our suppliers to do likewise.
6. We will recognize activities that will further profile sustainability as a business issue and will endeavor to disclose information on our activities.
7. In order to implement the above actions we will aim to raise the awareness of environmental and social issues of our own board and support them to take an active role through their normal duties.

2. Initiatives for Sustainability by the Asset Manager

The Asset Manager has positioned initiatives on ESG (Environmental, Social and Governance) awareness as an important business management issue. To build a stronger infrastructure for achieving both sustained growth and social responsibility, the Asset Manager has signed on to the PFA21 and will increase its activities for more progress concerning sustainability under the commitment to responsible investment. The Asset Manager is ambitious to become a real estate asset management company that commits to responsible investment through the practice of PFA21.

Concerning the details of initiatives for sustainability by KRR and the Asset Manager, please refer to the following web site.

*Initiatives for sustainability by KRR: https://www.krr-reit.com/en/feature/csr.html

Initiatives for sustainability by the Asset Manager: https://kenedix-fm.com/en/sustainability.html

This notice is the English translation of the Japanese announcement on August 30, 2019. However, no assurance or warranties are given for the completeness or accuracy of this English translation.