KENEDIX
Office Investment Corporation

Translation of Japanese Original

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To All Concerned Parties

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Notice Concerning Submission of Amended Shelf Registration Statement for Issuance of Green Bonds

Kenedix Retail REIT Corporation ("KRR") announced that KRR has submitted to the Director-General of the Kanto Local Finance Bureau an amended shelf registration statement for issuance of green bonds (Note) (unsecured investment corporation bonds) ("the Green Bonds").

(Note) Green bonds are bonds that are issued to raise funds for domestic and overseas green projects. To be specific, (i) the proceeds of green bonds are allocated exclusively to green projects, (ii) the proceeds are tracked and managed in a reliable manner, and (iii) the transparency of such proceeds is ensured by reporting after the issuance of the bonds.

1. Contents of the amended shelf registration statement for the issuance of the Green Bonds

KRR has today submitted to the Director-General of the Kanto Local Finance Bureau an amended shelf registration statement for the issuance of the Green Bonds. KRR plans to use all the proceeds from the Green Bonds to acquire or refurbish specified assets (the "Eligible Green Assets") that meet the eligibility criteria (described in "3. Green Finance Framework" below), repay the loans needed to acquire the Eligible Green Assets, or to redeem investment corporation bonds issued for the acquisition of the Eligible Green Assets.

2. Purposes and backgrounds of issuance of the Green Bonds

KRR recognizes the importance of consideration for Environment, Social and Governance (ESG) issues in real estate investment management. We regard initiatives for improvement in sustainability to fulfill our corporate social responsibility and contribute to sustainable society as our important business challenges.

As part of our environment-conscious initiatives, we have continued efforts to promote environmentally friendly measures and energy conservation, improve energy utilization and sustainability initiatives of our portfolio, by participating in GRESB Real Estate Assessment (Note 1), in which KRR received a "Green Star" rating for the six consecutive years, and proactively acquiring environmental certification and assessment, such as DBJ Green Building Certification (Note 2), Certification for CASBEE for Real Estate (Note 3) and BELS Certification (Note 4).

As Ministry of the Environment supports promotion of issuance of green bonds, we consider that such issuance enable us to further commit to our efforts to improve sustainability and also to make further contribution to development of the domestic green bond market, by offering opportunities to the investors who take active stance towards ESG investment. To this end, KRR has submitted the amended shelf registration statement for the issuance of the Green Bonds.

(Note 1) "The GRESB Real Estate Assessment" is one of the assessments provided by GRESB, which capture information regarding ESG performance and sustainability best practices for real estate funds and companies worldwide. GRESB is an annual benchmarking assessment to measure ESG (Environmental, Social and Governance) integration of real estate companies and

funds, as well as the name of organization which runs the assessment. It was founded in 2009 by a group of major European pension funds who played leading roles in launching Principles for Responsible Investment (PRI).

(Note 2) "DBJ Green Building Certification" is a five-star scale evaluation system launched by Development Bank of Japan Inc. ("DBJ"), giving certifications to properties with proper care to environment and society (Green Building), based on the comprehensive scoring model developed by DBJ.

(Note 3) "Certification for CASBEE (Comprehensive Assessment System for Built Environment Efficiency) for Real Estate" is an evaluation system (from Rank C to Rank S) for rating the overall environmental performance of buildings on energy-conservation, resource-saving, recycle ability and other aspects for reducing environmental burdens, as well as landscape preservation.

(Note 4) "BELS (Building-Housing Energy-efficiency Labeling System) Certification" is a public certification system, the evaluation standards of which are provided by Ministry of Land, Infrastructure, Transport and Tourism, for rating energy-conservation performance of buildings on a five-point scale basis (the number of starts, 1-5) based on the primary energy consumption of architectural structures

3. Green Finance Framework

To obtain green finance including the issuance of the Green Bonds, KRR has established a green finance framework (the "Green Finance Framework") in accordance with 2018 edition of the Green Bond Principles (Note 1), 2020 edition of the Green Loan Principles (Note 2), 2020 edition of the Green Bond Guidelines (Note 3), and 2020 edition of the Green Loans and Sustainability Linked Loan Guidelines (Note 4). For the content of the Green Finance Framework, refer to the following.

Content of the Green Finance Framework:

(1) Use of the proceeds from green finance

KRR plans to use all the proceeds from the Green Bonds to acquire or refurbish Eligible Green Assets that meet the following eligibility criteria, repay the loans needed to acquire the Eligible Green Assets, or to redeem KRR bonds issued for the acquisition of the Eligible Green Assets.

(2) Eligibility Criteria 1

New or existing investments in or spending for green buildings that have acquired or are expected to acquire, one of the following green building certifications:

(i) Three stars or more of DBJ Green Building Certification
(ii) B+ or higher rank of Certification for CASBEE for Real Estate
(iii) Three stars or more of BELS Certification

Eligibility Criteria 2

Spending for construction and facilities repair work of owned properties for the purpose of at least 10% reduction in energy consumption, water consumption or other consumption contributing to environmental improvement.

(Note 1) The Green Bond Principles are the guidelines on the issuance of green bonds developed by the Green Bond Principles Executive Committee, a private organization for which the International Capital Market Association (ICMA) plays the secretariat function.

(Note 2) The 2020 edition of the Green Loan Principles are developed by the Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA), and Loan Syndications & Trading Association (LSTA) and provide guidelines for the loans specifically granted in relation to the area of the environment.

(Note 3) The 2020 edition of the Green Bond Guidelines are the guidelines developed and published in March 2017 and revised in March 2020 by the Ministry of the Environment of Japan with attention to consistency with the Green Bond Principles in Note 1 above. To further spread the use of green bonds in Japan, the Guidelines present concrete examples and interpretations that are aligned with the attributes of Japan and which market participants can refer to at the working level when considering specific actions concerning green bonds.

(Note 4) The 2020 edition of the Green Loans and Sustainability Linked Loan Guidelines are the guidelines developed and

published in March 2020 by the Ministry of the Environment of Japan with attention to consistency with the Green Loan Principles in Note 3 above. To further spread the use of green loans in Japan, the Guidelines present concrete examples and interpretations that are aligned with the attributes of Japan and which borrowers, lenders, and other officials of relevant organization can refer to at the working level when considering specific actions concerning green loans.

4. External evaluations

The Green Finance Framework have obtained an evaluation of "Green 1 (F)" from JCR, the highest evaluation in its "JCR Green Finance Framework Evaluation."

For details of the opinion and evaluation, please refer to the websites below:

*JCR Green Finance Framework Evaluation: https://www.jcr.co.jp/en/greenfinance/

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

This notice is the English translation of the Japanese announcement on December 23, 2021. However, no assurance or warranties are given for the completeness or accuracy of this English translation.