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Notice Concerning GRESB Real Estate Assessment Results

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that JHR has received “Green Star” in the GRESB Real Estate Assessment conducted in 2019 for the two consecutive years, and it also received “3-star” in “GRESB Rating” (the highest being 5-stars) by relative evaluation based on comprehensive scores.

1. Overview of GRESB Real Estate Assessment

The GRESB is an annual benchmarking program to evaluate Environment, Social and Governance (ESG) considerations of property companies and real estate funds, established in 2009 primarily by major European pension fund groups which took the lead in Principles for Responsible Investment (PRI).

The GRESB Real Estate Assessment is distinguished by its comprehensive evaluation of initiatives for sustainability of property companies, REITs and real estate funds, not of individual properties. For more information about the GRESB, please see the GRESB websites (<https://gresb.com/>).

2. Results of the Assessment

JHR has received a “Green Star” evaluation, as it was evaluated in both areas “Management & Policy” and “Implementation & Measurement” with regards to initiatives for environmental considerations and sustainability. Moreover, JHR has received “3-star” in “GRESB Rating” by relative evaluation based on comprehensive scores.

Also, JHR has received “B” in “GRESB Public Disclosure” (the highest being “A”), which evaluates level of disclosures related to ESG in five-star scale.



Followings are the key aspects of JHR's ESG initiatives appreciated by the GRESB.

- Establishment of various sustainability policies
- Management and execution system for effective implementation of governance policies
- Measures include assessment of risk for environment and society in each property and initiatives in energy conservation and others
- Establishment of cooperation system with stakeholders to monitor and enhance environmental performance
- Initiatives for promoting health and well-being of each property and employees of the Asset Management Company

3. Sustainability initiatives by JHR

JHR has implemented various initiatives based on "Sustainability Policy" stipulated alongside with the Asset Management Company, as JHR believes that conducting real estate investment management based on consideration for ESG is important to enhance unitholder value and to further raise the attractiveness of JHR.

Going forward, JHR continues to build sound relationships with our stakeholders including unitholders, hotel guests, lessees, operators and local communities, etc., and proactively promotes expansion of various initiatives for sustainability.

* Website of Japan Hotel REIT Investment Corporation: <http://www.jhrth.co.jp/en/>