

April 26, 2019

Real Estate Investment Trust Securities Issuer
Sekisui House Reit, Inc.
Representative: Junichi Inoue, Executive Director
(Securities Code: 3309)

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Notice Concerning Acquisition of the highest rank of “S” in
“MUFG ESG Rating Certificate for J-REIT supported by JCR”

Sekisui House Reit, Inc. (“SHR”) and Sekisui House Asset Management, Ltd. (“SHAM”) to which SHR entrusts its asset management, hereby announce that they acquired the highest rank (rank “S”) in “MUFG ESG Rating Certificate for J-REIT supported by JCR (the “Rating”)” from Mitsubishi UFJ Research and Consulting Co., Ltd. (“MURC”) as follows.

1. Overview of the Rating

This Rating, which is a service provided by MURC and supported by Japan Credit Rating Agency, Ltd. (“JCR”), intends to evaluate J-REITs’ initiatives and implementations on the environment, social and governance (collectively referred to as “ESG”) issues based on the items originally. It assigns the rank to each J-REIT that applies the evaluation and provides the feedback for improvement.

By earning the Rating, SHR will satisfy the condition for undertaking the “ESG Loan for J-REIT” from MUFG Bank, Ltd.

For details of the Rating, please visit the [MURC’s website](#) (Japanese only).

2. Result of the Rating

SHR and SHAM have collectively been granted “S” rank, the highest among 5 grades.

Granting such grade, efforts by SHR and SHAM in the all ESG’s area has been recognized. In particular, the following factors contributed to the favorable grade in the evaluation: 1) establishing ESG improvement systems based on the sustainability vision, 2) promoting greenhouse gas emission reduction activities proactively to its own assets, 3) striving to cooperate with residents, tenant companies and local communities, and 4) ensuring sense of compliance as a company.

3. ESG Initiatives by SHR and SHAM

SHR and SHAM aim to maximize unitholder value while at the same time providing “sustainable living bases” for residents of residential properties and “sustainable bases of operation” for tenant companies of commercial properties by conducting real estate investment management with due consideration given to ESG for realization of a sustainable society.

SHR and SHAM intend to further pursue such initiatives as energy saving, environmental consideration, and securement of living safety and business continuity to enhance satisfaction of residents and tenants at owned properties through utilization of the know-how on real estate operation and management possessed by the



SEKISUI HOUSE REIT, INC.

sponsor, Sekisui House, Ltd. Furthermore, SHR and SHAM have pressed ahead with continuous acquisition of external certifications in their initiatives to secure sustainability of the environment as well as society, while proactively disclosing ESG information and utilizing such as a tool for communication with stakeholders. For details of ESG initiatives of SHR and SHAM, please refer to "[ESG Initiatives](#)" on SHR's website.

*Sekisui House Reit, Inc. website: <http://sekisuihouse-reit.co.jp/en/>