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Notice Concerning Acquisition of “CASBEE Certification for Buildings”

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that Hilton Tokyo Odaiba owned by JHR received “CASBEE Certification for Buildings (Existing Buildings),” (B+: Good) for the first time as existing hotel, from a CASBEE certification organization approved by the Institute for Building Environment and Energy Conservation.

1. Overview of CASBEE Certification for Buildings

Comprehensive Assessment System for Built Environment Efficiency (CASBEE) is a method for evaluating and rating the environmental performance of buildings. It is a system to comprehensively evaluate the quality of buildings, including interior comfort and landscape considerations, as well as environmental considerations such as energy conservation and the use of materials and equipment with low environmental loads.

CASBEE Certification for Buildings is granted for assessment results provided by CASBEE for New Construction, Existing Buildings, and Renovation. The certification that JHR acquired was given for a results by CASBEE for Existing Buildings, an evaluation method which targets buildings with an operational record of at least one year after completion, and assesses buildings based on annual performance of operations, deterioration of buildings and indoor environments. Assessment results by CASBEE are indicated in a scale with the following five ranks: “S: Superior,” “A: Very Good,” “B+: Good,” “B-: Slightly Poor,” and “C: Poor.”

2. Evaluation by CASBEE Certification for Buildings (Existing Buildings)

Property Assessed and Certified		Assessment Rank	Evaluation Points
Hilton Tokyo Odaiba		 CASBEE for Buildings (Existing Buildings) Rank B+ (Good)	<ul style="list-style-type: none"> Through meticulous building management and partial renovations, the hotel provides high-quality hotel spaces with the same quality as it was when the building was completed. Consideration is given to the regional environment and amenity contributions, such as planting of native species in Tokyo, harmony with surrounding townscape, and securing direct routes from train stations. Appropriate energy management and operations are being carried out, and efforts are being made to reduce the use of water supply, waste and non-renewable resources.
Exterior Photo			
Location	Minato-ku, Tokyo		
Date of Completion	January 1996		

3. Importance on the Acquisition of Certification for CASBEE for Buildings

The energy efficiency of existing hotels tends to be low in terms of structure and facilities, as there are many hotels which have passed a certain period of time since they were built. Therefore, JHR has continued to improve the energy efficiency through measures such as upgrading to energy-efficient equipment and optimizing facility management operations.

In Japan, there is a limited number of green building certification systems that evaluate hotels. Under such circumstance, JHR challenged to acquire CASBEE for Buildings (Existing Buildings), and resulted in the acquisition of the certification for the first time as hotel.

We believe that the acquisition of CASBEE for Buildings (Existing Buildings) was the result of an objective assessment of the achievements of the efforts which JHR has made so far.

4. Future Initiatives

JHR has implemented various initiatives based on “Sustainability Policy” stipulated alongside with the Asset Management Company, as JHR believes that 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 various initiatives for sustainability.

Please see websites below for Sustainability Policy and examples of our initiatives.

*Sustainability Initiatives of JHR: <https://www.jhrth.co.jp/en/about/sustainability.html>

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