

## Green Bond Fact Sheet

Japan Hotel REIT		Date: 31/07/2019	
Issue date: 31-07-2019 Maturity date: 31-07-2024 Tenor: 5			
Issuer Name	Japan Hotel REIT	Amount Issued	JPY2bn/USD18.4m
Country of risk	Japan	CBI Database	Included
Issuer Type <sup>1</sup>	Financial corporate	Bond Type	Sr Unsecured
Green Bond Framework	<a href="#">Link to framework</a>	Second party opinion	N/A
Certification Standard	Not certified	Assurance report	N/A
Certification Verifier	N/A	Green bond rating	Green 1
Use of Proceeds			
<input type="checkbox"/> Energy	<input type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input type="checkbox"/> Hydro	<input type="checkbox"/> Tidal <input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <input type="checkbox"/> District heating <input type="checkbox"/> Electricity grid	<input type="checkbox"/> Energy storage <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Buildings	<input type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input checked="" type="checkbox"/> Energy performance	<input type="checkbox"/> Water performance <input type="checkbox"/> Energy storage/meters <input type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Transport	<input type="checkbox"/> Electric vehicles <input type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input type="checkbox"/> Passenger trains <input type="checkbox"/> Urban rail	<input type="checkbox"/> Freight rolling stock <input type="checkbox"/> Coach / public bus <input type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance	<input type="checkbox"/> Transport logistics <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Water & wastewater	<input type="checkbox"/> Water distribution <input type="checkbox"/> Water treatment <input type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Flood protection <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance	<input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Waste management	<input type="checkbox"/> Recycling <input type="checkbox"/> Waste prevention <input type="checkbox"/> Pollution control	<input type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure	<input type="checkbox"/> Waste to energy <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input type="checkbox"/> Land remediation <input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> FSC Forestry <input type="checkbox"/> Energy/water efficiency <input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> FSC Cellulose & paper
<input type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> ICT <input type="checkbox"/> Industry: process
<b>Issue details</b>	
<b>Reporting</b>	<p>Japan Hotel REIT will disclose both the status on the allocation of the funds (annually on a project-by-project basis) as well as KPIs on the impact that the funded projects have on the environment (annually on a project-by-project basis as well as on a project portfolio basis). This includes information on water and energy consumption as well as CO<sub>2</sub> emissions after the renovation Oriental Hotel Fukuoka Hakata Station. For projects not specifically related to this particular hotel the name of the property as well as the details of the renewal will be disclosed.</p>
<b>Company information</b>	<p>Japan Hotel REIT is a real estate investment fund specialising in hotels. It is listed on the Tokyo Stock Exchange and was founded in 2005. Currently, Japan Hotel REIT has 43 assets. JHR participated in GRESB Real Estate Assessment in 2018 for the first time and acquired “Green Star,” the highest ranking.</p>
<b>Firsts, records and certifications</b>	
<b>Proceeds description</b>	<p>For the issued bonds the proceeds are used for the following projects which meet the criteria that are laid out in the Green Bond framework (in this case falling energy efficiency):</p> <p>1) Refinancing: The funds are used to repay loans borrowed for the renovation of Oriental Hotel Fukuoka Hakata Station (formerly Hotel Centraza Hakata). This includes equipment in order to reduce CO<sub>2</sub> emissions for example air condition equipment and electric equipment as well as other equipment that has a positive environmental impact such as improvement of water consumption.</p> <p>2) Funds for construction for renovation of other hotels: This includes the cost of equipment for the renewal of air conditioning and the like aiming at a 10% CO<sub>2</sub> reduction or more.</p>
<b>Climate Bonds view</b>	<p>It is great to see another Real Estate Investment Trust issuing a green bond coming from Japan. Japan is leading the way with almost 50% of the green bond issuance in this space. We hope this will encourage issuers from other countries in this field to follow.</p>
<b>Underwriters</b>	
<b>Deal comments</b>	
<b>Credit Rating</b>	Green 1 (Japan Credit Rating Agency)
<b>Pricing summary</b>	<ul style="list-style-type: none"> <li>Coupon: 0.400%</li> </ul>
<b>Investors summary</b>	

<sup>1</sup> Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign