



NEWS RELEASE

February 21, 2020

【R&I Green Bond Assessment】

Kajima Corporation Unsec. Str. Bonds No.46 : GA1 Formal (Kajima Corporation Green Bond)

Rating and Investment Information, Inc. (R&I) has announced the following R&I Green Bond Assessment (GA1 (Formal)). R&I announced a preliminary assessment for this instrument on February 14, 2020. The preliminary assessment has now been converted to a formal assessment.

【DESCRIPTION OF INSTRUMENT】

INSTRUMENT NAME	Kajima Corporation Unsec. Str. Bonds No.46 (Kajima Corporation Green Bond)
ISSUER	Kajima Corporation
ISSUE AMOUNT (mn)	JPY 10,000
R&I GREEN BOND ASSESSMENT	GA1 (Formal)
ISSUE DATE	February 28, 2020
MATURITY DATE	February 28, 2025

R&I has confirmed that the green bond is in conformity to the green bond framework developed by Kajima Corporation from the perspectives of the fixed issue amount, term, etc. and assigned GA1 (Formal) to the green bond.

Details are provided in the attached press release dated February 14, 2020 regarding R&I Green Bond Assessment (GA1 (Preliminary), Second Opinion), the summarized English version of the Japanese press release. The full text in English will be available later.

In addition to this assessment, R&I has assigned a credit rating to Kajima Corporation Green Bond. For details, please refer to <https://www.r-i.co.jp/en/index.html/>.

R&I Green Bond Assessment is not the Credit Rating Business, but one of the Ancillary Businesses (businesses excluding Credit Rating Service but are ancillary to Credit Rating Activities) as set forth in Article 299, paragraph (1), item (xxviii) of the Cabinet Office Ordinance on Financial Instruments Business, etc. With respect to such business, relevant laws and regulations require measures to be implemented so that activities pertaining to such business would not unreasonably affect the Credit Rating Activities, as well as measures to prevent such business from being misperceived as the Credit Rating Business.



NEWS RELEASE

February 14, 2020

【R&I Green Bond Assessment】

Kajima Corporation Unsec. Str. Bonds No.46

(Kajima Corporation Green Bond)

: GA1 (Preliminary)

: Second Opinion

(The second opinion is an opinion regarding the alignment with the Green Bond Principles, etc.)

Rating and Investment Information, Inc. (R&I) has announced the following R&I Green Bond Assessment (GA1 (Preliminary), Second Opinion).

【DESCRIPTION OF INSTRUMENT】

INSTRUMENT NAME	Kajima Corporation Unsec. Str. Bonds No.46 (Kajima Corporation Green Bond)
ISSUER	Kajima Corporation
ISSUE AMOUNT (mn)	JPY 10,000
R&I GREEN BOND ASSESSMENT	GA1 (Preliminary)
ISSUE DATE	February 2020 scheduled
MATURITY DATE	February 2025 scheduled

【Summary】

Kajima Corporation is a leading general constructor which boasts a strong platform for orders both in the construction and civil engineering businesses on the back of its excellent technological capabilities and extensive track records. The company has developed its management philosophy: "As a group of individuals working together as one, we pursue creative progress and development founded on both rational, scientific principles and a humanitarian outlook, through which we strive to continually advance our business operations and contribute to society". As one of its material business issues, which the company specified by taking account of the social sustainable growth, Kajima took the initiative: "Contributing activity to society's transition to a low carbon footprint." The company is taking a progressive approach towards its environmental vision "Triple Zero 2050," captured from the three perspectives of "zero carbon," "zero waste," and "zero impact."

Kajima plans to finance in part the construction of KT Building which was constructed as a diffusion model of low-carbon buildings and Yokohama Gate Tower, a large-scale mixed-use office building which is currently under construction seeking to realize lower carbon emissions, recycling of resources and co-existence with nature, through a green bond. Prior to this, it developed a green bond framework which concerns the four elements as set out by the Green Bond Principles (use of the proceeds, process for project evaluation and selection, management of the proceeds, and reporting).

【R&I Green Bond Assessment】

R&I has judged, in accordance with R&I Green Bond Assessment Methodology, that the proceeds from the green bond would be invested into projects with significant environmental benefits, and assigned GA1 (preliminary) to the green bond. This is a preliminary assessment and will be reassessed after the final confirmation of bond issuance details.

【Second Opinion on the alignment with the Green Bond Principles, etc.】

R&I has also provided a second opinion that the green bond framework is aligned with the Green Bond Principles 2018 and the Green Bond Guidelines 2017 by the Ministry of the Environment of Japan.

Note that R&I has confirmed that the green bond scheduled to be issued is going to be in conformity to the said framework from the perspectives of issue amount and term, details of eligible projects, assets and investment schedule, etc.

【Rationale】

- The proceeds will be fully allocated to refinance the construction funds for KT Building which was completed in 2016 and Yokohama Gate Tower which is scheduled to be completed in around the fall of 2021.
- KT Building was constructed as a diffusion model of low-carbon construction for small to medium-sized office buildings. It achieved “ZEB Ready,” the first in office buildings in Japan, through its excellent outside surface performance and energy-saving design.
- Yokohama Gate Tower is a large-scale mixed-use office building located at the gateway to the Minato Mirai 21 district coming from Yokohama Station. From the viewpoint of minimizing carbon emissions, it will introduce energy-saving facilities such as district cooling/heating systems, newly-developed variable airflow air-conditioning, and LED lighting. As to the aspect of recycling of resources, it seeks to reduce environmental burdens by, for example, adopting a system to use rainwater, and using recycled materials. With regards to the perspective of co-existence with nature, it pays consideration to the conservation of biological environment by protecting native species, securing habitats for wildlife small animals, and so on. It registered with the Yokohama City Building Environmental Design System, with CASBEE's self-assessment of A and the assessment details being checked.
- R&I judged that investment in the two buildings which realize the results of continuing research & technology development for the conservation and sustainable use of the environment is reasonable as the use of funds from the green bond.
- The construction/operation of the buildings under consideration is in line with Kajima's management philosophy and environmental vision “Triple Zero 2050” and the criteria to selecting buildings are also in conformity with the Target 2030 and its environmental goals (for FY2018 to 2020). The evaluation and selection are subject to discussion by Real Estate Development Division, Finance Department of Treasury Division and Corporate Planning Department, and to be determined by President and Representative Director who is the chair of the Company-wide Environment Committee, which represents a reasonable process.
- The proceeds will be fully allocated to refinancing, and Finance Department within Treasury Division will track and monitor allocations and unallocated amounts for each quarter by using internal file systems. Appropriate handling, such as keeping evidential documents in accordance with the internal rules and managing unallocated funds in cash or its equivalent, is established.
- Reporting will be provided once a year on the websites of Kajima. The allocation status of the funds will be disclosed in the first reporting. Impact reporting will contain disclosure for each target project on a stand-alone basis for CO2 emissions and others among the items recommended by the International Capital Market Association (ICMA) for green buildings, which is reasonable.
- Kajima developed policies/systems regarding the environment to promote activities based on long-term vision and concrete environmental goals. The Target 2030 and environmental goals (for FY2018 to 2020) specify levels to be reached at each point in time qualitatively/quantitatively, showing its commitment to the goals clearly.

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activities pertaining to such business would not unreasonably affect the Credit Rating Activities, as well as measures to prevent such business from being misperceived as the Credit Rating Business.

R&I Green Bond Assessment is R&I's opinion regarding the extent to which the proceeds from the issuance of green bonds are used to invest in projects with environmental benefits. In R&I Green Bond Assessment, R&I may also provide a second opinion on a green bond framework. R&I Green Bond Assessment does not certify the environmental benefits and other qualities of the eligible projects. Hence, R&I will not be held responsible for the effectiveness of the projects, including their environmental benefits. R&I Green Bond Assessment is not the Credit Rating Business, but one of the Ancillary Businesses (businesses excluding Credit Rating Service but are ancillary to Credit Rating Activities) as set forth in Article 299, paragraph (1), item (xxviii) of the Cabinet Office Ordinance on Financial Instruments Business, etc. With respect to such business, relevant laws and regulations require measures to be implemented so that activities pertaining to such business would not unreasonably affect the Credit Rating Activities, as well as measures to prevent such business from being misperceived as the Credit Rating Business.

R&I Green Bond Assessment is not, in any sense, statements of current, future, or historical fact and should not be interpreted as such, and R&I Green Bond Assessment is not a recommendation to purchase, sell, or hold any particular securities and does not constitute any form of advice regarding investment decisions or financial matters. R&I Green Bond Assessment does not address the suitability of an investment for any particular investor. R&I issues R&I Green Bond Assessment based on the assumption that each investor will investigate and evaluate the securities which they plan to purchase, sell, or hold for themselves. All investment decisions shall be made at the responsibility of the individual investor.

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【Japanese is the official language of this material and if there are any inconsistencies or discrepancies between the information written in Japanese and the information written in languages other than Japanese the information written in Japanese will take precedence.】