

January 16, 2023 Sinanen Co., Ltd.

Agreement for supply of renewable energy power to Tokyo Allied Coffee Roasters Co., Ltd., Yokohama Factory through an off-site corporate PPA

- First off-site corporate PPA in the coffee roasting industry to reduce greenhouse gas emissions by approximately 1,334 tons per year -

Energy solutions provider Sinanen Co., Ltd. (Headquarters: Minato-ku, Tokyo, President and CEO: Takashi Yasuda, hereinafter "Sinanen") has agreed to provide electricity derived from renewable energy sources procured from Sinanen's newly constructed solar power plant to the Yokohama roasting site of Tokyo Allied Coffee Roasters Co., Ltd. (head office: Ota-ku, Tokyo, President: Tomoaki Ono, hereinafter "Tokyo Allied Coffee Roasters") through an off-site corporate PPA^{*1} mechanism.

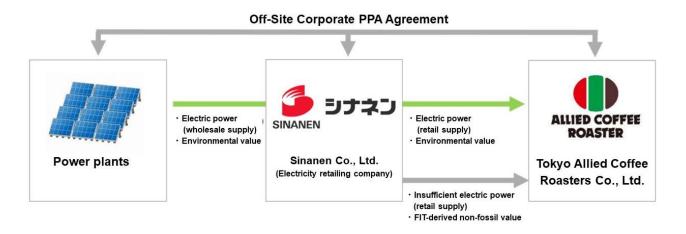
Provision of renewable energy power through an off-site corporate PPA

Tokyo Allied Coffee Roasters is actively working to reduce greenhouse gas emissions. It has already started roasting with 100% carbon neutral gas from December 1, 2022^{*2} and plans to install a solar power generation system at the Yokohama Production Technology Center next spring. In order to further reduce greenhouse gas emissions, Sinanen will now supply 100% of its electricity from renewable energy sources through an off-site corporate PPA mechanism.

Sinanen will build a new solar power plant for Tokyo Allied Coffee Roasters and supply electric power via the power transmission and distribution network. In addition, for the electric power that cannot be sufficiently generated by the off-site corporate PPA's solar power alone, Sinanen will grant non-fossil certificates derived from renewable energy power plants to ensure that 100% of the power will be from renewable energy sources.

The introduction of renewable energy with this additionality^{*3} will contribute to the implementation of decarbonization efforts in Japan that have been performed solely through the granting of non-fossil certificates.

This will be the first time in the coffee roasting industry to supply electricity derived from renewable energy through the off-site corporate PPA mechanism, and is expected to reduce greenhouse gas emissions (including non-fossil certificates) by approximately 1,334 tons per year.





Contribution to further decarbonization through participation in the SINANEN Akari no Mori Project

Sinanen, towards a sustainable future, has developed the SINANEN Akari no Mori Project, which will protect the abundance of the forest through the use of clean energy, and is actively working on activities that nurture nature in partnership with NPOs and general incorporated associations. In addition to reducing CO2 emissions, carbon negative will be realized through working on environmental conservation activities.

Tokyo Allied Coffee Roasters is also participating in this SINANEN Akari no Mori Project towards further decarbonization. The project activity costs are planned to be covered through the charging of 0.01 yen/kWh for the amount of power used each month, and Sinanen is also providing the same amount.

Sinanen will continue to contribute to the reduction of its customers' greenhouse gas and CO2 emissions by strengthening the development and expanding the introduction of renewable energy to reduce the environmental impact of society.

- X1 An off-site corporate PPA (power purchase agreement) is a long-term contract under which a customer purchases renewable energy power from a power generation company. The model involves the transmission of electricity from a remote power generation facility to a customer (in this case, the roasting site of Tokyo Allied Coffee Roasters) through a power transmission and distribution network.
- X2 Introduction of Tokyo Allied Coffee Roasters Carbon Neutral City Gas (<u>https://www.tacr.co.jp/news/20221201news.pdf</u>)
- X3 Additionality is a measure of a company's chosen procurement method that promotes investment in renewable energy and leads to the substitution of fossil fuels, and is considered important among companies that are actively engaged in renewable energy procurement.

About Sinanen Co., Ltd. <u>https://sinanen.com/en/</u>

Sinanen Co., Ltd. is a corporate energy service company of the Sinanen Holdings Group. We are operating a wide range of businesses such as petroleum product sales, renewable energy investment, electric power sales, and solar power generation maintenance.

About the Sinanen electric power sales business

https://sinanen.com/en/for business/electric power business/

The Sinanen Holdings Group has been providing a comfortable energy environment to its customers, in accordance with the changes of the times, since its foundation as a solid fuel manufacturing and sales company in 1927. Since FY 2018, the Sinanen electric power sales business has been providing environmentally friendly CO₂ emission factor-based energy menus for the purpose of environmental protection using the renewable energy and energy saving-derived J-Credit Scheme and non-fossil certificates, as well as RE100 compliant menus of practically 100% renewable energy using non-fossil certificates with tracking information. Moreover, the CO₂ emission factor has been third-party verified by the Japan Quality Assurance Organization (JQA). Written certification is provided. With a view to the realization of a sustainable future, aiming to achieve the SDGs Goal 15 "Life on land," we have established the SINANEN Akari no Mori project to protect our rich forests by promoting the use of clean energy. Through this project, we collaborate with NPOs and general incorporated associations on tree planting and forest protection activities in the aim of creating bountiful forests and preventing global warming.



■ About the SINANEN Akari no Mori Project <u>https://sinanen.com/en/project/</u>

With a view to the realization of a sustainable future, aiming to achieve the SDG Goal 15 "Life on land," we have established the SINANEN Akari no Mori Project to protect our rich forests by promoting the use of clean energy. In addition, we will mitigate the impact of climate change by working on climate change mitigation and adaptation measures through the promotion of clean energy and forest protection activities, will increase resilience to disasters by actively supporting efforts such as the creation of forests with high disaster prevention function, and will also work towards the achievement of SDG Goal 13 "Climate action."

Through the project, we collaborate with NPOs and general incorporated associations on tree planting and forest protection activities in the aim of creating bountiful forests and preventing global warming. At the current time, we are providing support to "Michi-no-Eki Yamba Furusato-kan" (Gunma Prefecture) as well as to organizations such as "NPO Grow Green in Ashio" (Tochigi Prefecture) and "Silva Association" (Kanagawa Prefecture) through the National Land Afforestation Promotion Organization. We plan to support more organizations in the future.

■ About Tokyo Allied Coffee Roasters Co., Ltd. <u>https://www.tacr.co.jp/</u>

Tokyo Allied Coffee Roasters Co., Ltd. is a consolidated subsidiary of S. Ishimitsu & Co., Ltd. (https://www.ishimitsu.co.jp/english/), a Tokyo Stock Exchange Standard listed company. It is a manufacturer specializing in regular coffee, purchasing quality coffee beans from coffee-producing countries around the world and roasting coffee according to customers' requests. The company manufactures and sells raw materials for canned and chilled type coffee, coffee for the food service industry such as fast food and family restaurants, as well as coffee for offices and single cup coffee bags for home use.

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