

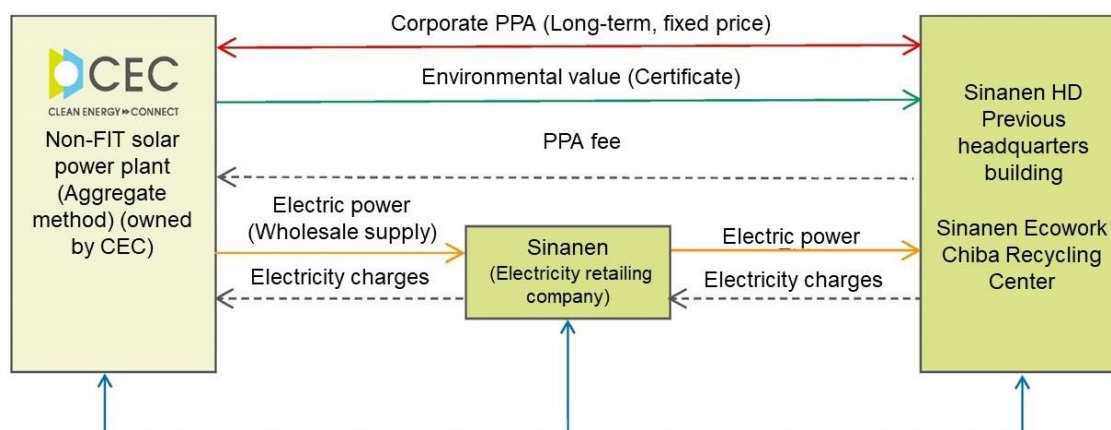
August 31, 2021

Sinanen Co., Ltd.

Sinanen’s non-FIT power supply has been adopted by the Ministry of the Environment’s “Off-site Corporate PPA Solar Power Supply Model Creation Project”

~Project to establish a role model in order to meet the demand for switching to 100% of power supply coming from renewable energy sources to be launched in February 2022~

Energy solutions provider Sinanen Co., Ltd. (Headquarters: Minato-ku, Tokyo, President and CEO: Takashi Yasuda, hereinafter “Sinanen”) would like to announce that, through a joint application with Sinanen Holdings Co., Ltd. (Headquarters: Minato-ku, Tokyo, President and CEO: Masaki Yamazaki, hereinafter “Sinanen Holdings”) and Sinanen Ecowork Co., Ltd. (Headquarters: Minato-ku, Tokyo, President and CEO: Tsutomu Kanda, hereinafter “Sinanen Ecowork”) of the same Sinanen Holdings Group, as well as with business partner Clean Energy Connect Co., Ltd. (Headquarters: Shinagawa-ku, Tokyo, Representative Director: Tepei Uchida, hereinafter “Clean Energy Connect”), the “Off-site Corporate PPA” model project to be conducted from February 2022 was adopted in the secondary offering of the Ministry of the Environment’s “2021 Off-site Corporate PPA Solar Power Supply Model Creation Project.”



■Background to Adoption: Evaluated as an off-site corporate PPA project for expanding the introduction of renewable energy within Japan

The “Off-site Corporate PPA Solar Power Supply Model Creation Project” is one of the projects eligible for subsidies in the Ministry of the Environment’s “2021 carbon dioxide emission control measure project expense subsidies (projects to promote the widespread use of renewable energy and the enhancement of resilience in regions through the reduced cost of renewable energy, including the use of PPA)”. With the objective of promoting the supply of solar power in the long term and

at a low price, support is being provided to business operators that supply solar power via an off-site corporate PPA, which contributes to the promotion of decarbonization.

Towards the realization of a carbon neutral society and carbon neutrality in 2050, moves are accelerating to the shift towards the 100% use of renewable energy derived power for their internal use, with a focus on major companies in Japan. In order to meet such power needs, Sinanen, in April of this year, together with Clean Energy Connect, constructed a “virtual corporate PPA (Power Purchase Agreement)” energy supply scheme in which electricity is procured directly from non-FIT solar power plants, and power as well as environmental value are provided to environmentally conscious customers.

(Reference: Press release of April 5, 2021 entitled [“Partnering with Clean Energy Connect for the joint creation of a green electric power supply scheme based on a virtual corporate PPA”](#))

It was decided that from February 2022, an off-site corporate PPA project would be performed at the office buildings and recycling plants owned by Sinanen Holdings and Sinanen Ecowork, and this project was adopted as an “Off-site Corporate PPA Solar Power Supply Model Creation Project.”

■About this project: The realization of an off-site corporate PPA within the corporate group

Raw green power from non-FIT low-voltage solar power plants established by Clean Energy Connect (a total of approximately 270 kW) will be supplied to Sinanen Holdings and Sinanen Ecowork via electricity retailing company Sinanen.

In this project, power will be supplied to two locations: the old headquarters building owned by Sinanen Holdings, and the Chiba Recycling Center, at which Sinanen Ecowork is engaged in environmental and recycling business involving the manufacture of biomass fuel from wood chips. Thanks to the differences in the purpose of use, the peak hours for energy consumption will be different. The power generated by the solar power generation facility will be consumed efficiently by calculating the demand for power at each location, and ensuring that peak hours of use do not overlap. In addition, the portion of power that cannot be covered by solar power generation will be provided through the supply of power subject to a non-fossil certificate with renewable energy source tracking from electricity retailing company Sinanen, resulting in the entirety of the buildings being powered by practically 100% renewable energy.

Non-FIT low-voltage solar power plants will be established in three locations within the Kanto area in this project. Risks from unseasonable weather and natural disasters will be spread out, and as there is only a short period of time until the commencement of the supply of power, the development and procurement of renewable energy power sources will be realized in a stable and speedy manner.

Using this project as a role model, Sinanen plans to broadly expand the virtual corporate PPA business in the future, in partnership with Clean Energy Connect. As an energy solutions company for corporations, we will in addition to expanding sales at its existing energy business continue to take o

new challenges in the renewable energy business with the aim of realizing a sustainable carbon-free society while providing customers with energy.

■About Sinanen's electric power sales business <https://sinanen.com/en/>

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 municipalities and non-profit organizations on tree planting and forest protection activities in the aim of creating bountiful forests and preventing global warming.

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

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.

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