

[Provisional Translation Only]

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New Sustainability Linked Loans

Ichigo is a Japanese sustainable infrastructure company dedicated to making the world more sustainable. In keeping with its Ichigo 2030 vision, Ichigo is expanding the scope of its real estate and clean energy businesses to further contribute to a sustainable society and grow long-term value for its shareholders.

Ichigo today initiated new commitment lines via a sustainability linked loan program arranged by Mizuho Bank Ltd. (“Mizuho”) with a maximum loan amount of JPY 13 billion.

1. Sustainability Linked Loan Overview

Based on the Sustainability Linked Loan Principles (“SLLP”), sustainability linked loans aim to facilitate and support environmentally and socially sustainable economic activity and growth, and incentivize the borrower’s achievement and disclosure of ambitious, predetermined sustainability performance objectives.

The borrowing terms of Ichigo’s sustainability linked loans are variable and linked to Ichigo’s achievement of its RE100 target of sourcing 100% renewable electricity across all of its operations, including Ichigo Office (8975) and Ichigo Hotel (3463), by 2025.

About RE100

RE100 is a global initiative bringing together the world’s most influential businesses driving the transition to 100% renewable electricity, with the aim of achieving a net-zero carbon society. Led by the Climate Group in partnership with CDP, the group operates in a diverse range of sectors, and together, sends a powerful signal to markets and governments to accelerate the transition to a clean economy.

2. Ichigo’s SLLP Assessment Results

Ichigo believes that working on behalf of the environment and society is a fundamental social responsibility. Ichigo is working to reduce greenhouse gas emissions in order to become climate positive in addition to driving renewable energy production via its Clean Energy business. As Ichigo grows and takes on new challenges as a sustainable infrastructure company, sustainability remains at the core of everything we do, and Ichigo is committed to contributing towards a better world that can be handed to future generations.

As part of being granted the sustainability linked loans, Ichigo’s alignment with the Sustainability Linked Loan Principles and the adequacy of its sustainability performance objectives were evaluated by Rating and Investment Information, Inc. (“R&I”).

In particular, Ichigo's Sustainable Real Estate and Clean Energy businesses were recognized as key social infrastructure underpinning people's livelihoods. R&I also recognized Ichigo's efforts to grow as a sustainable infrastructure company, including it joining the RE100 and leading with an ambitious goal of achieving its RE100 target by 2025, promoting Net Zero Energy Houses ("ZEH"), and contributing to a net zero carbon society.

3. Sustainability Linked Loan Details

Sustainability Linked Loan A

Maximum Loan Amount	JPY 9B
Lender	Mizuho
Drawdown Period	December 17, 2021 to December 17, 2025 (4 years)
Final Loan Repayment Date	December 17, 2031 (10 years)
Collateralized	No
Contract Date	December 17, 2021

Sustainability Linked Loan B

Maximum Loan Amount	JPY 4B
Lenders	Mizuho, Asahi Shinkin Bank, Shiga Bank, Shizuoka Bank, Hiroshima Bank, Fukuho Bank
Drawdown Period	December 17, 2021 to December 17, 2024 (3 years)
Final Loan Repayment Date	December 17, 2028 (7 years)
Collateralized	No
Contract Date	December 17, 2021

Note: Per agreement with the lenders, the interest rates on the above commitment lines will not be disclosed.

4. Earnings Outlook

While the impact of the new commitment lines on Ichigo's FY22/2 consolidated earnings is expected to be minimal, Ichigo believes that it will further strengthen its financial position.

Reference

Today's Mizuho Release (Japanese only)
www.mizuhobank.co.jp/index.html

Today's R&I Release (Japanese only)
www.r-i.co.jp/rating/esg/sustainabilityfinance/index.html