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New ESG/SDGs Syndicated Loan

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 a new commitment line via Sumitomo Mitsui Banking Corporation's ("SMBC") ESG/SDGs syndicated loan program ("ESG/SDGs Finance") with a maximum loan amount of JPY 6.901 billion.

1. ESG/SDGs Finance Overview

ESG/SDGs Finance is a syndicated loan program that finances sustainable business management based on a comprehensive analysis and evaluation of the environmental, social, and economic impacts of a company's business activities. SMBC evaluates the borrowing company's ESG initiatives and disclosures and its contributions to achieving the UN's Sustainable Development Goals ("SDGs") based on proprietary criteria developed with The Japan Research Institute ("JRI"). The use of funds in ESG/SDGs Finance is unspecified and therefore funds can be used by the borrowing company broadly across its businesses.

2. Ichigo's ESG/SDGs Assessment Results

JRI's evaluation comprises basic points awarded for a company's ESG initiatives and disclosures and additional points awarded for a company's policy, practice, and performance towards increasing shareholder value and its activities and disclosures contributing towards the achievement of the 17 SDGs goals.

Ichigo was recognized for its outstanding ESG initiatives and disclosures and its contribution towards achieving the SDGs. Assessment details are as outlined below.

Environmental

- Ichigo tracks not only Scope 1 and 2 emissions, but also Scope 3 CO2 emissions produced by raw material suppliers and customers.
- Ichigo's Clean Energy business operates 67 renewable energy plants (online and in-pipeline) across Japan with a total output of c. 198.9MW, which largely contributes to the growth of renewable energy generation in Japan.

Social

- Women are actively involved across Ichigo's businesses, with women now holding 31.6% of management positions.

- Ichigo’s businesses contribute to community development such as promoting and selling local produce via a partnership with an airline company, revitalizing local economies via its Clean Energy business, and creating employment opportunities via its smart agriculture business.

Governance

- As a sustainable infrastructure company, Ichigo’s management is committed to contributing to society via its Sustainable Real Estate business and reducing its environmental impact via its Clean Energy business.
- Ichigo proactively engages in ESG activities, works to reduce the environmental impact of its businesses, and participates in global initiatives such as RE100 and the UN Global Compact.

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.

Contributing Towards Achieving SDGs

Working with local communities, Ichigo’s Clean Energy and Sustainable Real Estate businesses support vibrant cities, neighborhoods, and communities, produce renewable energy, promote community development, thereby contributing to achieving “SDG 7 – Affordable and Clean Energy” and “SDG 11 – Sustainable Cities and Communities.”



Ichigo accelerated its RE100 target by 15 years from 2040 to 2025, and is working towards achieving its transition to renewable energy even sooner.

In addition to driving renewable energy production via its Clean Energy business, Ichigo is working to reduce greenhouse gas emissions in order to become climate positive.

Ichigo believes that working on behalf of the environment and society is a fundamental social responsibility. 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.

3. ESG/SDGs Commitment Line Details

Maximum Loan Amount	JPY 6.901B
Lenders	Syndicated group with SMBC as arranger and agent
Drawdown Period	December 20, 2021 to September 30, 2022
Final Loan Repayment Date	December 29, 2028 (7 years)
Contract Date	December 15, 2021

Note: Per agreement with SMBC and the syndicated group, the interest rate on the above commitment line will not be disclosed.

4. Earnings Outlook

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