



**Make The World
More Sustainable**

[Provisional Translation Only]

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Issuer

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**Ichigo Hotel Completes Transition of All Assets to 100% Renewable Energy
via Non-Fossil Certificates**

Ichigo Hotel has completed transitioning all of its assets to renewable energy.

1. Overview

Ichigo Hotel is working with sponsor Ichigo to build a sustainable society, and in line with this mission, Ichigo has joined RE100, a global initiative to accelerate the transition of electricity used by businesses to 100% renewable energy to realize a Net Carbon Zero society.

In line with Ichigo joining RE100, Ichigo Hotel is targeting to source 100% of the electricity needs across its assets via renewable energy by January 31, 2024, and has purchased non-fossil certificates via the renewable energy transaction market’s second 2023 auction conducted in November 2023 with Ichigo, qualified as a broker, as the intermediary.

As a result of the purchase, the electricity used at 21 of 30 Ichigo Hotel’s hotels, excluding the nine hotels for which the renewable electricity transition has already been completed, from August 2023 to January 2024 (c. 7.25 million kWh including forecasts) is effectively renewable electricity, marking Ichigo Hotel’s completion of transitioning all of its assets to renewable energy. The purchase is Ichigo Hotel’s first non-fossil certificate purchase.

2. Earnings Impact

The impact of the purchase on Ichigo Hotel’s January 2024 and July 2024 fiscal period earnings has already been factored into the forecasts presented in the September 14, 2023 release “July 2023 Earnings.”

Ichigo Hotel will continue to work to promote the environmental and energy efficiency and reduce the environmental impact of its hotels.

Reference: About Feed-In Tariff (“FIT”) Non-Fossil Certificates and the Renewable Energy Value Trading Market

The FIT system refers to the purchase of renewable energy at fixed prices, and a non-fossil certificate refers to the certification of the non-fossil value of the electricity generated without the use of fossil fuels such as petroleum or coal. In particular, non-fossil certificates with tracking information are non-fossil certificates with information on the non-fossil electricity source, including the power generation facility’s identification number, category, and location.

Trading of FIT non-fossil certificates began in 2018, and the renewable energy value trading market was established in November 2021, allowing consumers who purchase the certificates and obtain the associated environmental value to obtain non-fossil certificates at low prices. Because the income from the sale of non-fossil certificates traded on the market is allocated to the charge for promoting renewable energy generation, the burden on Japanese consumers from the FIT system is reduced.