

September 8, 2022
GPSS Holdings, Inc.

Second Green Bond Annual Report (as of July 31, 2022)

GPSS Holdings Inc. (Representative Director and CEO: Masaaki Mezaki, hereinafter referred to as GPSS) announced that it has issued corporate-type green bonds (GPSS Holdings Inc. No. 2 Unsecured Bond, hereinafter referred to as “the bond”) in January 29, 2021 in the domestic market in the form of a private placement with Sumitomo Mitsui Banking Corporation, Inc. (President and Chief Executive Officer: Makoto Takashima) as the underwriter for the total amount on January 29, 2021.

A green bond is a bond issued by a company to raise funds for green projects (projects that improve the environment, such as renewable energy, construction and renovation of energy-efficient buildings, and prevention and control of environmental pollution). The funds raised by the bond will be used to finance capital expenditures and development of nine solar power generation facilities and four wind power generation facilities under development by GPSS. Please refer to the attached news release for a summary of the issue of the bond and detailed information on the rating by Japan Credit Rating Agency, Ltd.

(<https://gpssgroup.jp/hd-greenbond2/>)

We are pleased to present our second Green Bond Annual Report, reporting on the status of fund appropriation and environmental improvement benefits as of the end of July 2022.

Table 1: Use of Funds (as the end of July 2022)

Site Name	Location	Type of power	Power Generation Capacity (kW)	Status	Allocated Funds ('000 yen)
Akuta	Kama City, Fukuoka Prefecture	Solar	1,579.3	Operating	100,000
Kaida	Tamana City, Kumamoto Prefecture	Solar	966.8	Operating	80,000
Tashiro	Iwaki City, Fukushima Prefecture	Solar	2,155.0	Operating	170,000
Jumonji	Matsushima Town, Miyagi Prefecture	Solar	3,047.9	Operating	150,000
Total					500,000

Table 2: Electricity generated, CO2 emissions reductioned, and household electricity consumption equivalents (as of end of June 2022)

Power generation measurement period						
Site Name	Operation start	End (of measurement)	Period (years)	Actual Electricity Generated (MWh)	CO2 Emission Reduced (kg-CO2)*1	Equivalent Household Electricity Consumption *2 (no. households)
Akuta	2021/05/01	2022/06/30	1.2	2,289	847	521
Kaida	2021/10/01	2022/06/30	0.7	860	318	196
Tashiro	2021/11/01	2022/06/30	0.7	1,777	926	404
Jumonji	2022/04/01	2022/06/30	0.2	1,001	522	228
Total				5,927	2,612	1,349

*1 Ministry of the Environment: Amount of electricity generated (MW) x Adjusted emission factor of the former general electric utility in the location (FY 2020)

*2 Ministry of the Environment: Survey of actual conditions related to the estimation of carbon dioxide emissions from Households National test survey (October 2014 - September 2015) Annual electricity consumption per household by construction method (individual units)

The result of the annual review of the green bond evaluation was given the highest rating of "Green1" by JCR.

For more information, please refer to the JCR website.

[link].

<https://www.jcr.co.jp/download/ebc74c7e097136bb3ae10273060ca31f0117a>

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GPSS Group will continue to make every effort to help realize a sustainable society.

For inquiries regarding this matter, please contact
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