

Signing of an Offsite VPPA for Biomass Power Generation — Expected to Reduce Annual CO₂ Emissions by Approximately 8,000 Tons —

TOKAI RIKA CO., LTD. (Head Office: Oguchi-cho, Niwa-gun, Aichi, Japan, President: Hiroyoshi Ninoyu) and Chubu Electric Power Miraiz Co., Inc. (Head Office: Nagoya, Aichi, Japan, Representative Director: Hironori Kamiya) have concluded an offsite VPPA on using a biomass power plant to accelerate the introduction of renewable energy.

* VPPA: Abbreviation of “virtual power purchase agreement”. This is a type of contractual framework in which corporations and renewable energy producers exchange electricity supply and environmental attributes. The environmental attributes from electricity generated at off-premise renewable energy sources (attributes that demonstrate zero CO₂ emissions) enable corporations to achieve practical use of renewable energy.

In 2021, we formulated our *Carbon-Neutral Strategy 2030* and have since been promoting a variety of initiatives aimed at reducing CO₂ emissions. We have actively promoted the use of renewable energy, including expanding our on-premise solar power installations and taking advantage of an offsite PPA service offered by Chubu Electric Power Miraiz, since December 2022.

With the signing of this VPPA, we will be able to secure the environmental attributes of renewable energy generated from biomass power plants in a long-term and stable manner, further accelerating our decarbonization efforts. We expect to reduce CO₂ emissions by approximately 8,000 tons annually by leveraging the environmental attributes from this initiative. This represents 20% of our company’s total emissions in FY 2024.

Moving forward, we will continue to actively promote the introduction of renewable energy and other initiatives to reduce the burden on the environment as we strive to help realize a carbon-neutral society.