January 27, 2021

To whom it may concern

Sumitomo Mitsui Trust Holdings, Inc.

Notice regarding the Conclusion of a Positive Impact Finance (with unspecified use of funds) Loan Agreement (with Sapporo Holdings Limited)

Please be informed that Sumitomo Mitsui Trust Bank, Limited, a subsidiary of Sumitomo Mitsui Trust Holdings, Inc. today announced the attached press release.

For further information, please contact:
IR Department, Sumitomo Mitsui Trust Holdings, Inc.
Telephone : +81-3-3286-8354

January 27, 2021

To whom it may concern

Sumitomo Mitsui Trust Bank, Limited

Notice regarding the Conclusion of a Positive Impact Finance (with unspecified use of funds) Loan Agreement (with Sapporo Holdings Limited)

Sumitomo Mitsui Trust Bank, Limited (President: Masaru Hashimoto; hereinafter "SuMi TRUST Bank") and Sapporo Holdings Limited (President and Representative Director: Masaki Oga; hereafter "Sapporo Holdings") concluded a "Positive Impact Finance (with unspecified use of funds)" loan agreement (hereinafter "this agreement") that is in line with the Principles for Positive Impact Finance (*1) released by the United Nations Environmental Programme Finance Initiative (hereinafter "UNEP FI") (*2).

Positive Impact Finance (hereinafter "PIF") is intended to support corporations' activities of which we comprehensively analyze and evaluate the impacts (both positive and negative) related to the environment, society and economy. The most notable feature of PIF is that the degree of contribution from corporate activities, products and services in achieving corporates' Sustainable Development Goals (SDGs) is used as evaluation indicators and monitored based on publicly disclosed information.

Sapporo Holdings formulated its Sustainability Policy in December 2019. Furthermore, one of the basic policies highlighted in Group Management Plan 2024 is to "promote sustainability management." With the "Priority Challenges for Sustainability and 4 Key Promises," based on partnerships with stakeholders around the world, Sapporo Holdings is working to realize a sustainable society by creating both social and economic value.

In concluding this agreement, SuMi TRUST Bank assessed the following initiatives of Sapporo Holdings both qualitatively and quantitatively as initiatives that particularly have impact on achieving SDGs.

Theme	Content	Goals and Indicators (KPI)	SDGs
Contribute to Creative, Enriching and Rewarding Lifestyles Through Alcoholic Beverages, Food, and Soft drinks	a. Safety, reliability and quality b. Creating new value	(Goals) a. Work to eliminate quality-related problems by 2030 b. Offer new value to customers (Indicators (KPI)) a. The status of work to eliminate quality-related problems b. The status of development of research and products which create new value	
Promote Coexistence with Society	a. Supporting local communities b. Sustainable procurement	(Goals) a. Collaborate with administrative agencies and its partners to create towns in ways that help enhance the region's appeal b. Aim to have at least 90% of its major suppliers meet the sustainability procurement guideline by 2030 (Sapporo Breweries, POKKA SAPPORO Food & Beverage) (Indicators (KPI)) a. The status of contribution to the region by collaborating with administrative	

		agencies and its partners to create towns b. The ratio of its suppliers which meet the sustainability procurement guideline	
Environmental Conservation	a. Preventing global warming b. Promoting the 3Rs 1. Water resources 2. Containers & packaging 3. Wastes c. Harmonizing with nature	(Goals) a. Achieve zero CO2 emissions at Company locations by 2050 b. 1. Reduce the total water consumption at its production factories by 10% from 2013 levels by 2030 (Sapporo Breweries, POKKA SAPPORO Food & Beverage) 2. Use materials that meet the requirements of a recycling-oriented society for 100% of its containers by 2050 3. Strive to increase the waste recycling rate, and achieve to 100% at its major factories (*) by 2030 (*Sapporo Breweries, POKKA SAPPORO Food & Beverage) c. Realize of stable production of high-quality raw beer materials in various regions (Indicators (KPI)) a. CO2 reduction b. 1. The total water consumption at its production factories (Sapporo Breweries, POKKA SAPPORO Food & Beverage) 2. The status of infiltration of container which meet the requirements of a recycling-oriented society (achievements in Reduce and substituting materials) 3. The waste recycling rate (Sapporo Breweries, POKKA SAPPORO Food & Beverage) c. The status of development of cultivars with more tolerance to climate change	

This agreement has obtained a third-party opinion (*3) from Japan Credit Rating Agency, Ltd. (President: Shokichi Takagi) regarding compliance of the procedures related to this agreement's evaluation to the Principles as well as the rationality of the evaluation indicators.

Through providing PIF and other solution for sustainability businesses, we will continue to support clients' business activities that contribute to the achievement of the SDGs and to contribute to the enhancement of their corporate value over the medium to long term.

End

(*1) The Principles for Positive Impact Finance

The Principles for Positive Impact Finance was developed by UNEP FI in January 2017 as a financial framework for achieving the SDGs. Companies disclose the level of contributions to achieving SDGs through KPIs. Banks then provide funding by evaluating the positive impact observed from these KPIs that is intended to guide the borrowers to increase positive impact and reduce negative impact.

The lending bank, as a responsible financial institution, will check if the impact is continuing or not by monitoring the indicators.

(*2) The United Nations Environment Programme Finance Initiative (UNEP FI)

The United Nations Environment Programme (UNEP) is an executive body for implementing the "Human Environment Declaration" and the "International Environmental Action Programme", established in 1972 as a subsidiary body to the United Nations system. UNEP FI represents a broad as well as close partnership between UNEP and more than 200 global financial institutions. Since its establishment in 1992, UNEP FI has been working in concert with financial institutions, policy/regulatory authorities to transform itself into a financial system that integrates economic development and ESG considerations.

(*3) For the independent opinion from Japan Credit Rating Agency, Ltd., please visit:
https://www.jcr.co.jp/en/