

December 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 FP Corporation)

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

December 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 FP Corporation)

Sumitomo Mitsui Trust Bank, Limited (President: Kazuya Oyama; hereinafter “SuMi TRUST Bank”) and FP Corporation (President: Morimasa Sato) 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 Environment Programme Finance Initiative (hereafter “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 Sustainable Development Goals (SDGs) is used as evaluation indicator and monitored based on publicly disclosed information, and that we support corporations’ activities to achieve this goals through engagement.

Guided by its principles of “creating superior, environmentally friendly products, providing them at competitive prices and delivering them to our clients when they need them”, FP Corporation is circulating and developing the value chain of manufacturing, selling and recycling of food containers which are essential to life, with the aim of contributing to solving social problems and realizing sustainable development.

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

Theme	Content	Goals and Indicators (KPI)	SDGs
Contribution to the prevention of plastic waste leakage and the reduction of the final waste disposal rate with “FPCO Method Recycling”	<ul style="list-style-type: none"> ✓ Contribute to the conservation of the earth's resources (petroleum resources), which are used as raw materials, by recycling food trays and PET bottles into food trays ✓ Contribute to preventing the leakage of plastic waste and improving the final waste disposal rate by collecting and 	<p>a. Promote the recycling of resources and the selling of eco-friendly products (Goals)</p> <p>[Targets of amounts of input material (FY2030)]</p> <ul style="list-style-type: none"> ✓ The amount of used food trays: 13,500 tons per year (styrofoam trays, transparent containers) ✓ The amount of used PET bottles: 70,000 tons per year <p>[Targets of the use rate of recycled materials (FY2030)]</p> <ul style="list-style-type: none"> ✓ The percentage of Eco trays in the total of PSP general purpose trays: 60% or more ✓ The percentage of Eco APET materials in the total of APET materials: 100% <p>(Indicators (KPI))</p> <ul style="list-style-type: none"> ✓ The amount of used food trays (styrofoam 	 



	recycling of used food containers	<p>trays, transparent containers) recycled</p> <ul style="list-style-type: none"> ✓ The amount of used PET bottles recycled ✓ The percentage of Eco trays in the total of PSP general purpose trays ✓ The percentage of Eco APET materials in the total of APET materials <p>b. Waste reduction and management of environmental pollutants</p> <p>(Goals)</p> <ul style="list-style-type: none"> ✓ Reduce the final waste disposal rate to less than 1% by FY2030 ✓ Reduce the amount of environmental pollutants 10% by FY2030 compared to FY2019 <p>(Indicators (KPI))</p> <ul style="list-style-type: none"> ✓ The final waste disposal rate ✓ The amount of environmental pollutants released 	
Contribution to the reduction of CO ₂ emissions through the sale of eco-friendly products	<ul style="list-style-type: none"> ✓ Contribute to the reduction of lifestyle CO₂ emissions through collecting of used food trays and recycling them into eco-friendly products 	<p>(Goals)</p> <ul style="list-style-type: none"> ✓ Achieve 192 thousand tons of CO₂ avoided through eco-friendly products by FY2022 ✓ Achieve 237 thousand tons of CO₂ avoided through eco-friendly products by FY2024 <p>(Indicators (KPI))</p> <ul style="list-style-type: none"> ✓ The amount of CO₂ emissions avoided through eco-friendly products (t-CO₂) 	 
Promotion of active participation of employees with disabilities	<ul style="list-style-type: none"> ✓ Create employment for people with disabilities by hiring at FP Corporation and supporting employment at business partners 	<p>(Goal)</p> <ul style="list-style-type: none"> ✓ Support the employment of people with disabilities as human assets and the employment of people with disabilities in our business partners to realize the goal of "making the most of the abilities of people with disabilities." <p>(Indicator)</p> <ul style="list-style-type: none"> ✓ Status of initiatives of the promotion of active participation of employees with disabilities based on improvement of work environment and welfare enhancement 	 

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 contribute to the enhancement of their corporate value over the medium to long term.

Ends

(*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/>