

August 31, 2022

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: Kazuya Oyama; hereinafter “SuMi TRUST Bank”) concluded a “Positive Impact Evaluation” (hereinafter “this evaluation”) and “Positive Impact Finance (with unspecified use of funds)” loan agreement (hereinafter “this agreement”) with Sapporo Holdings Limited (President and Representative Director: Masaki Oga; hereafter “Sapporo Holdings”), in line with the Principles for Positive Impact Finance (\*1) released by the United Nations Environment Programme Finance Initiative (hereinafter “UNEP FI”) (\*2).

Positive Impact Finance (hereinafter “PIF”) is a type of loan agreement intended to support corporations to comprehensively analyze and evaluate the impacts (both positive and negative) of business activities related to the environment, society and economy on an ongoing basis. 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 an evaluation indicator and monitored based on publicly disclosed information, and that we support corporations’ activities to achieve these goals through engagement.

This agreement has obtained a third-party opinion (\*3) from Japan Credit Rating Agency, Ltd. (President: Shokichi Takagi) regarding the 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 solutions 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.






**【About Sapporo Holdings】**

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.

**【Overview of Positive Impact Evaluation】**

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

Theme	Content	Goals and Indicators (KPI)	SDGs
<p>Contribute to Creative, Enriching and Rewarding Lifestyles Through Alcoholic Beverages, Food, and Soft drinks</p>	<ul style="list-style-type: none"> <li>✓ Safety, reliability and quality</li> <li>✓ Creating new value</li> </ul>	<p>a. Providing safety, reliability and quality (Goal)</p> <ul style="list-style-type: none"> <li>✓ Work to eliminate quality-related problems by 2030</li> </ul> <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> <li>✓ The status of work to eliminate quality-related problems</li> </ul> <p>b. Creating new value (Goal)</p> <ul style="list-style-type: none"> <li>✓ Offer new value to customers</li> </ul> <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> <li>✓ The status of development of research and products which create new value</li> </ul>	  
<p>Promote Coexistence with Society</p>	<ul style="list-style-type: none"> <li>✓ Contribution to community development and solve issues as a member of local societies, in addition to creating a better future along with everyone in society</li> </ul>	<p>a. Contribution to community (Goal)</p> <ul style="list-style-type: none"> <li>✓ Collaborate with administrative agencies and its partners to create towns in ways that help enhance the region's appeal</li> </ul> <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> <li>✓ Status of contribution to the region by collaborating with administrative agencies and its partners to create towns</li> </ul> <p>b. Promotion of sustainable procurement (Goal)</p> <ul style="list-style-type: none"> <li>✓ Have all major suppliers meet the sustainability procurement guideline by 2030 (Sapporo Breweries, POKKA SAPPORO Food &amp; Beverage)</li> </ul> <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> <li>✓ Ratio of suppliers which meet the sustainability procurement guideline</li> </ul>	      
<p>Global environmental conservation</p>	<ul style="list-style-type: none"> <li>✓ Striving for environmental conservation at every phase, promoting active participation of all employees in environmental activities in order to pass on the blessings of nature to the future</li> </ul>	<p>a. Reduction of CO<sub>2</sub> emissions (Goal)</p> <ul style="list-style-type: none"> <li>✓ Achieve zero CO<sub>2</sub> emissions at Company locations by 2050</li> </ul> <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> <li>✓ CO<sub>2</sub> reduction</li> </ul> <p>b. Promoting the 3Rs (a) Reduction of total water consumption (Goal)</p> <ul style="list-style-type: none"> <li>✓ Reduce the total water consumption at</li> </ul>	  

		<p>production factories by 10% from 2013 levels by 2030 (Sapporo Breweries, POKKA SAPPORO Food &amp; Beverage)</p> <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> <li>✓ Total water consumption at production factories of Sapporo Breweries and POKKA SAPPORO Food &amp; Beverage</li> </ul> <p>(b) Increasing the use of packaging materials that meet the requirements of a recycling-oriented society</p> <p>(Goal)</p> <ul style="list-style-type: none"> <li>✓ Use materials that meet the requirements of a recycling-oriented society for 100% of containers by 2050</li> </ul> <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> <li>✓ Status of container use which meets the requirements of a recycling-oriented society (achievements in material reduction and substitution)</li> </ul> <p>(c) Improvement of the waste recycling rate</p> <p>(Goal)</p> <ul style="list-style-type: none"> <li>✓ Strive to increase the waste recycling rate, and achieve to 100% at its major factories (*) by 2030 (*Sapporo Breweries, POKKA SAPPORO Food &amp; Beverage)</li> </ul> <p>(Indicator (KPI))</p> <ul style="list-style-type: none"> <li>✓ Waste recycling rate (Sapporo Breweries, POKKA SAPPORO Food &amp; Beverage)</li> </ul> <p>(d) Reduction of plastic use</p> <p>(Goals)</p> <ul style="list-style-type: none"> <li>✓ Prohibit the use of advertising materials that are made of single-use plastics derived from fossil fuels by 2030 in Japan as a general rule (Sapporo Breweries)</li> <li>✓ Increase the use of recycled raw materials in PET bottles of domestically manufactured wine to 50% by 2030 (Sapporo Breweries)</li> <li>✓ Increase the use of recycled raw materials in PET bottle products to 50% by 2030 (POKKA SAPPORO Food &amp; Beverage)</li> </ul> <p>(Indicators (KPI))</p> <ul style="list-style-type: none"> <li>✓ Use of advertisements that are made of single-use plastics derived from fossil fuels by 2030 in Japan</li> <li>✓ Use of recycled raw materials in PET</li> </ul>	    
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		bottles of domestically manufactured wine ✓ Use of recycled raw materials in PET bottle products  c. Development of cultivars with more tolerance to climate change (Goal) ✓ Realize of stable production of high-quality raw beer materials in various regions (Indicator (KPI)) ✓ Status of development of cultivars with more tolerance to climate change	
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(\*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 the positive impact and reduce the 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 a 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) Third-party opinion on compliance with Principles of Positive Impact Financial and rationality of used metrics

For the independent opinion from Japan Credit Rating Agency, Ltd., please visit:

<https://www.jcr.co.jp/en/greenfinance/>

Ends