ENVIRONMENTAL REPORT

Vol. 28

Fuji Seal Group CDP2024 Results and the Fuji Seal Group's Climate Change Initiatives

The Fuji Seal Group (hereinafter referred to as "The Company") identifies climate change, marine plastic pollution (biodiversity), and resource depletion as critical environmental issues. Through our products and services, we aim to contribute positively to the environment while striving to reduce environmental burdens during manufacturing processes. This report outlines the results of our CDP 2024 evaluation and presents The Company's climate change initiatives.

CDP 2024



In fiscal year 2024, The Company once again underwent evaluation by CDP. This section highlights the results of the CDP 2024 assessment and details our ongoing efforts to reduce greenhouse gas (GHG) emissions.

The Company received "B" rating for both "Climate Change" and "Water Security".



What is CDP ?

CDP is a non-governmental organization (NGO) established in the U.K. in 2000, which operates a global information disclosure system for investors, companies, cities, nations, and regions to manage their environmental impacts. Its disclosure system has received responses from more than 8,000 companies and is known as one of the most influential data sources used by more than 650 investment institutions and 115 major purchasing companies.



ENVIRONMENTAL REPORT

Vol. 28

Fuji Seal Group

CDP2024 Results and the Fuji Seal Group's Climate Change Initiatives

Climate Change Initiatives Based on TCFD Recommendations

The Company declared its support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in July 2021. Since then, we have enhanced our transparency regarding climate-related initiatives, not only through CDP disclosures but also via our official website.

This report provides a summary of our climate change disclosures in a simplified format. For more comprehensive information, please refer to our website and the full CDP report.

Website ESG DATA BOOK2024 Environmental Report CDP2024 Report

♦ Governance of Climate-related Issues

The governance structure for climate-related issues involves multiple levels of discussion and decision-making. Matters are first reviewed by the Regional Sustainability Committees and the FSI Sustainability Subcommittee. These are then discussed by the Group Sustainability Committee (Executive Officers' Meeting), followed by deliberation by the Board of Directors, which approves targets and monitors progress.

♦ Strategy and Risk Management for Climate-related Issues

Strategy

To seize business opportunities, The Company actively invests in relevant areas, while also promoting initiatives to reduce GHG emissions in order to mitigate risks.

Risk Management

The Company has developed its own risk map, which is regularly discussed at Board meetings. Scenario analysis is also employed to understand the external environment surrounding The Company. This includes scenarios such as: 1.5°C and 2°C scenarios (a society with active climate change mitigation), and a 4°C scenario (A society facing advancing climate change).



ENVIRONMENTAL REPORT

Vol. 28

Fuji Seal Group CDP2024 Results and the Fuji Seal Group's Climate Change Initiatives

Risk Identification

- ·Increase in expenses due to carbon tax (long-term)
- •Reputation decline due to insufficient non-financial disclosures (medium-term)
- ·Disaster and supply disruption due to extreme weather (short-term)

Opportunity Identification

•Addressing the growing demand for low-carbon products by developing and providing integrated system solutions that combine packaging materials and machinery. •Improving resource efficiency by developing and supplying products with high transport efficiency that contribute to lower CHC emissions

- transport efficiency that contribute to lower GHG emissions.
- •Pioneering new markets through recycling-related initiatives aimed at realizing a low-carbon society.

♦ Company-wide Climate Change Targets

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

In December 2023, The Company established new absolute reduction targets for fiscal year 2030. Our GHG emissions reduction targets (Scope 1 & 2) have been officially validated by the Science Based Targets initiative (SBTi) as being aligned with the 1.5°C pathway. As a result, these targets have been approved as short-term science-based targets.

Scope 1&2: Reduce absolute scope 1&2 GHG emissions 42% by FY2030. (From FY2022 base year) Scope3: Reduce absolute scope3 GHG emissions 25% within the same timeframe

Progress

<FY2022 GHG Emissions (Base Year)>

Scope1+Scope2:190,000 tCO₂ Scope3:1,650,000 tCO₂

<FY2023 GHG Emissions>

Scope1+Scope2:180,000 tCO₂(4% reduction) Scope3:1,450,000 tCO₂(12% reduction)



ENVIRONMENTAL REPORT

Vol. 28

Fuji Seal Group CDP2024 Results and the Fuji Seal Group's Climate Change Initiatives

Participation in Customer Engagement Programs

The Company has joined the "Supplier Leadership on Climate Transition (Supplier LOCT)", a collaborative program between global brands and suppliers aimed at reducing carbon emissions. Supplier LOCT is an online learning platform that provides guidance on the measurement and reporting of GHG emissions, as well as the setting of science-based targets. It serves as a valuable resource for understanding customers' sustainability goals and the methods



to achieve them.Environmental managers at The Company's headquarters and across regional offices have completed the program and are applying the knowledge gained to company-wide and regional initiatives. Upon completion, The Company received the "CDP Disclosure*" badge as proof of its progress.

*The "CDP Disclosure" badge indicates that The Company has completed stages 1 through 4 of the following five-stage program : 1. Create(GHG calculation) 2. Set (SBTi target validation) 3.Build(GHG reduction planning) 4.Disclosure (CDP reporting) 5.Implement (Execution)

Other Environmental Assessments

♦ EcoVadis 2024

The Company was awarded a Silver Medal from EcoVadis*, placing it within the top 15% of evaluated companies. This recognition reflects the quality of The Company's sustainability management system and its efforts to promote transparency throughout the value chain.

As many companies advance their compliance with regulations on non-financial disclosure, FSG will continue to assess the impact of its business on society and ensure appropriate and effective disclosure practices.

* EcoVadis : Third-party organization based in France, that evaluates and monitors the sustainability of supplier companies. It operates an independent and reliable collaborative platform, conducting comprehensive assessments across four areas: "Environment", "Labor and Human Rights", "Ethics", and "Sustainable Procurement".

