

September 30, 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 TORIDOLL Holdings Corporation)

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 TORIDOLL Holdings Corporation (President and CEO: Takaya Awata; hereafter “TORIDOLL 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 TORIDOLL Holdings】

TORIDOLL Holdings is a Japan-originated global food company that operates a specialized Sanuki Udon restaurant chain “MARUGAME SEIMEN,” Hawaiian pancake café “Kona’s Coffee,” amongst others. TORIDOLL Holdings uses an open kitchen style in its major brands for customers to enjoy seeing the cooking process, creating an entertaining space that offers a sense of presence and “hand-made, fresh, and reliable” atmosphere and is developing business that respects the culture and regional characteristics of all countries.




TORIDOLL Holdings identified key ESG issues (materiality assessment) in March 2022, and set a new mid-to-long-term management plan in May 2022. Under the new mission “Continue Exploring Dining Experiences that will Move Our Customers and Fuel Excitement Around the World.” and the new slogan “Filling Our Planet with Dining Experiences that will Move You.,” TORIDOLL Holdings is actively working to realize sustainable growth and a sustainable society, focusing on activities in each of the following themes.




【Overview of Positive Impact Evaluation】

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

Theme 1	Delivering Passion for Food to the World
Content	a. Continue increasing the number of restaurants to spread the excitement of eating b. Promote and reinforce control systems to provide food safely
Goals and Indicators (KPI)	<u>a. Increase the opportunity and volume of food provided by increasing the number of restaurants</u> (Goal) Increase the number of restaurants to 2,500 by FY2024 and to 5,500 or more by FY2027 (Indicator (KPI)) Number of restaurants <u>b. Reinforce internal control system for food safety</u> (Goal) Maintain zero administrative sanctions based on the Food Sanitation Act (Indicator (KPI)) Number of administrative sanctions based on the Food Sanitation Act
SDGs	

Theme 2	Together with people and society
Content	a. Increase employment and retainment of employees by increasing the development of restaurants b. Talent development c. Respecting diversity d. Creation of a rewarding work environment
Goals and Indicators (KPI)	<u>a. Increase employment and employee retainment through the development of restaurants</u> (Goal) Restrain the rate of early resignations among total resignations of employees to: 70% or fewer, Partner Staff: 50% or fewer from FY2022 (Indicator (KPI)) Rate of early resignations among total resignations employees <u>b1. Prepare and perform the Group's training curriculum</u> (Goal) Prepare the Group's training curriculum by FY2022 (Indicator (KPI)) Status of preparing the Group's training curriculum <u>b2. Train Menshokunin (Udon Master) to maintain food quality and inherit udon culture</u> (Goal)

	<p>Train and retain Menshokunin (station Menshokunin at all branches by FY2022) (Indicator (KPI)) Rate of branches with Menshokunin</p> <p><u>c. Respect diversity (especially women’s participation and advancement in the workplace initiatives)</u> (Goal) Women’s participation and advancement in the workplace initiatives (improve ratio of management positions held by women to 20% or more by FY2024) (Indicator (KPI)) Ratio of management positions held by women</p> <p><u>d. Promote the creation of safe and secure working environments through the adoption of principles</u> (Goal) Restrain the frequency of workplace accidents to less than 2.0 and incident rate per 1,000 people less than 2.0 between FY2022 and FY2024 (Indicator (KPI)) Frequency of workplace accidents, incident rate per 1,000 people</p>
SDGs	  

Theme 3	Together with our Planet
Content	Promoting the recycling of resources
Goals and Indicators (KPI)	<p><u>Promote the recycling of resources</u> (Goals) a. Decrease the amount of food waste generated to 130 kg / million yen by FY2025 b. Increase the percentage of food waste reused to 55% by FY2025 (Indicators (KPI)) a. Amount of food waste generated b. Percentage of food waste reused</p>
SDGs	  

(*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