

February 29, 2024

Sun Frontier Fudousan Co., Ltd.
(Stock Code: 8934, TSE Prime Market)

Sun Frontier **Conclusion of “Mizuho Positive Impact Finance” Agreement** **- Contributing to the Realization of a Sustainable Society -**

We are pleased to announce that Sun Frontier Fudousan Co., Ltd. (Head Office: Chiyoda-ku, Tokyo; President and Representative Director: Seiichi Saito; hereinafter “the Company”) today concluded an agreement for “Mizuho Positive Impact Finance^{*1}” (hereinafter; “the Loan”) with Mizuho Bank, Ltd. (President: Masahiko Kato; hereinafter “the Bank”) and raised funds.

The Loan is a type of ESG finance in accordance with the Principles for Positive Impact Finance^{*2}. “Mizuho Positive Impact Finance” is a comprehensive and quantitative evaluation of a company’s social impact (positive and negative impacts) using an impact evaluation framework developed independently by Mizuho Research & Technologies Co., Ltd. If it confirms that the company has the intention of producing a positive impact, the loans will be provided to the company for the purpose of continuous support for initiatives. With regard to the evaluation of the Loan, the Company has obtained a third party opinion from Japan Credit Rating Agency, Ltd.^{*4} on its compliance with the Principles for Positive Impact Finance and its consistency with the “Basic Approach to Impact Finance” compiled by the Positive Impact Finance Task Force established under Paragraph 2 (4) of the Ministry of the Environment's Guidelines for the Establishment of the High Level Panel on ESG Finance.

The Group sets a sustainability vision of “We will contribute to the realization of a sustainable society through our business activities while respecting the heart of altruism, the Company policy.” Based on this vision, we have identified “Environmental protection,” “Regional revitalization” and “Human resource development” as priority issues (materiality) and are working to resolve social issues through our businesses.

We will continue to contribute to the realization of a sustainable society by continuing to take on the challenge of creating new value while controlling the waste of limited resources, and by advancing our business activities through the creation of customer delights.

*1: “Mizuho Positive Impact Finance”
Press Release “Commence of Mizuho Positive Impact Finance” dated June 25, 2021
https://www.mizuhobank.co.jp/release/pdf/20210625_2release_jp.pdf

*2: Positive Impact Finance Principles
This is a common framework for finance towards the achievement of the SDGs which was announced in 2017 by the Positive Impact Working Group, a bank and an investment member of the United Nations Environment Programme Finance Initiative (UNEP FI)^{*3}. It is a comprehensive content that evaluates the impact of the three aspects of sustainable development (environment, society, and economy) from both positive and negative perspectives. UNEP FI has also identified 22 categories of impact radar, including climate, water, energy, biodiversity, and culture and tradition.

*3: United Nations Environment Programme Finance Initiative (UNEP FI)
A partnership established between the United Nations Environment Programme and the global financial sector to promote sustainable finance following the 1992 Earth Summit

*4: Website for Japan Credit Rating Agency, Ltd.
<https://www.jcr.co.jp/en/>

[Overview of the Loan]

Borrower: Sun Frontier Fudousan Co., Ltd.

Date: February 29, 2024








Loan Period: 5 years






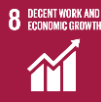
Loan Amount: 3.36 billion yen

Use of Funds: Funds to purchase real estate

Lender: Mizuho Bank, Ltd.

[KPIs and targets listed in Positive Impact Finance]

Impact	KPI	SDGs	
		Goal	Target
Resource efficiency Safety and waste (Negative)	Extension of the economic life		12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
Climate (Negative)	Greenhouse gas emissions (Scope1, 2) (Company Group)		7.2 By 2030, increase substantially the share of renewable energy in the global energy mix 7.3 By 2030, double the global rate of improvement in energy efficiency
	Carbon offset		13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
	Control of carbon dioxide emissions in comparison with building reconstruction		
Comprehensive healthy economy and employment (Positive)	Percentage of female executives		5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
			8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
Economic convergence (Positive)	Providing emergency supplies or a setup office with a space for emergency supplies		11.b By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels
	Posting information of disaster prevention on the website		17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

Impact	KPI	SDGs	
		Goal	Target
Housing, health and sanitation, and economic convergence (Positive)	Supply ratio of newly replanning properties exceeding established in-house standards		3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all
			11.b By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels
			17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships
Education (Positive)	Ratio of training hours to regular working hours		4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
Education and employment (Positive)	Ordinary profit per hour		4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
			8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

Sun Frontier Fudousan Co., Ltd.

Sun Frontier Fudousan Co., Ltd. has been focusing on the revitalization and utilization of office buildings in central Tokyo. We aim to be the world's most respected visionary company under the policy of "It's not about seeking profit, it's about seeking trust. Change yourself and solve your problems in the clients' point of view. We go beyond expectations!"

The core business of the Real Estate Value-Up Project (Replanning ®) provides a one stop Real Estate Service Business that covers everything from the purchase of buildings, redevelopment and utilization planning, construction work, leasing, rent guarantee services, management, sales, and building management. Through our business, we work together with building owners and tenants to create affluent and sustainable towns and communities.

[Company Profile]

Company name: Sun Frontier Fudousan Co., Ltd.

President Representative Director: Seiichi Saito

Established: April 1999

URL:<https://www.sunfrt.co.jp/en/>

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