

ENVIRONMENTAL
REPORT

Vol. **10**

Our packages contribute to both customers and society's initiatives in environmental sustainability.

Recently, social awareness about the environment, such as marine plastic, is intensively spreading. In fact, we have been making attempts in Reduce – Recycle – Reuse activities. We would like to introduce some of our efforts.

Fuji Seal Group

Participation in various Initiatives to mitigate Environmental Impacts through Supply Chain Collaborations

Fuji Seal Group recognizes the importance of safety and environmental protection, and aims to contribute positively to global environment through our creation and efforts while always keeping in mind the harmony with nature. In developing and marketing packaging for the recycling of plastic resources, we understand that collaboration across the entire supply chain is essential. Therefore, we are actively participating in various initiatives and industry associations on a global basis. In this report, following the Environmental Report No. 7, we would like to share with you the environmental initiatives we are a member of.

■ Participation in HolyGrail 2.0

In October 2020, Fuji Seal International, Inc. has joined the HolyGrail 2.0 Initiative. We are providing financial and technical support for this initiative, which will help to reduce the environmental impact and increase the added value of packaging.

HolyGrail 2.0 is a cross-supply chain initiative facilitated by AIM*, the European brands association, which aims to improve waste recovery rates through the application of watermark technology** and to exhibit a successful business model of resource recycling on a commercial scale. Therefore, conducting multiple-phase tests using products sold in the market to prove the concept in real world at large scale is also a part of the initiative. The watermark technology, which involves applying an invisible code to the surface of a package that is read by a high-resolution camera, is expected to dramatically improve waste sorting. By precisely identifying the material of the package, which is one of the most difficult challenges in the recycling process, the post-consumer waste can be better sorted, resulting in a recycling process that is better suited to obtain a higher purity recycled product.




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Fuji Seal Group, through its collaboration with HolyGrail 2.0, will utilize its printing technology and other knowledge to provide packaging that enables better sorting and recovery, thereby promoting circular economy to make our society more sustainable.

* AIM is the European Brand Association, representing European manufacturers of branded consumer goods and discussing key issues affecting the design, distribution, and sale of brands. AIM represents 2,500 companies, from small- and medium-sized enterprises to multinational corporations, directly or indirectly through its corporate and national association members.

** Watermark technology allows a postage-stamp-sized code on the surface of a consumer product package that is imperceptible to the human eye to represent a wide range of attributes, for example, the name of the product, the manufacturer, the type and composition of the plastic used, and the classification of food and non-food items.

<HolyGrail 2.0 initiative>

<http://www.aim.be/priorities/digital-watermarks/>

■ Working with recycling organizations around the world

In addition to the activities with HolyGrail 2.0, Fuji Seal Group also participates in the following recycling-related organizations. Fuji Seal Group is deeply involved in the recycling systems in various countries and puts efforts to realize a recycling-oriented society, for example, through the design of recyclable packaging materials.

● Plastic Packaging Recycling Council

The Plastic Packaging Recycling Council is a business association whose members include organizations of specified businesses and companies that promote the 3Rs of plastic containers and packaging. Fuji Seal, Inc. is promoting various 3Rs and environment-conscious designs for refillable pouches, shrink-wrapped backing papers, and other products with brand owners, and is working together with the Council and other companies in the industry to build a rational recycling system for plastic packaging and promote the 3Rs.

<Plastic Packaging Recycling Council> <http://www.pprc.gr.jp/>

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- **The Association of Plastic Recyclers (APR)**

American Fuji Seal, Inc. works with APR, an international plastics recycling association that supports the circular economy with its own certification program to ensure recyclability. We have developed RecShrink™ labels that can be recycled together with the containers. This label product can enhance the reduction of one-way disposable plastics. We will continue to contribute positively to the circular economy through the development of products that aim to reduce the environmental impact.



The Association of Plastic Recyclers

<The Association of Plastic Recyclers> <https://plasticsrecycling.org/>

- **Petcore Europe**

Petcore Europe is the association based in Brussels representing the complete PET value chain in Europe, from PET manufacture to conversion into packaging and recycling, and other related activities. Fuji Seal Europe joins Petcore Europe working with the entire PET supply chain to achieve a circular economy in the European region. Most recently, we have been in discussion about how to adopt RecShrink™ in the European market and are promoting activities to develop PET bottles and PET film into a single material cycle.



<Petcore Europe> <https://www.petcore-europe.org/>

Fuji Seal Group contributes to the development of technology throughout the entire supply chain, aiming at resource recycling in order to solve environmental issues such as climate change, marine plastic waste, and resource depletion from a packaging perspective through these initiatives. Activities in these initiatives also involve resolving institutional issues and formulating new regulations. We believe by playing a part in these initiatives that we can pursue sustainability for society as a whole. We will continue to develop new products to increase the added value in our packaging to solve social challenges throughout the supply chain collaborations.