FP Corporation

FPCO REPORT

FP Corporation Report 2025



At FP Corporation, we are striving to create comfortable dietary lives for people through the food tray and container manufacturing, sales and recycling businesses. We will continue to adhere to the hands-on approach and customer-first concept we have consistently observed since our founding and will fulfill our mission to reliably deliver the most environmentally friendly products of the highest quality, at the most competitive prices, whenever they are needed.

Motto

1. Responsibility
2. Confidence
3. Harmony
4. Patience
5. Health

Mission

In accordance with the hands-on approach and customer-first concept, we will reliably deliver the most environmentally friendly products of the highest quality, at the most competitive prices, whenever they are needed.

Vision

As a manufacturer of food trays and containers

Building sustainable society
Creating safe, secure, rich dietary lives
Establishing the infrastructure to reliably deliver products when needed

As a member of society

Strengthen the management base
Coexistence with local communities



FPCO Group's mascot
Pico-saurus

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<Editorial Guidelines>

Care was taken to clearly note the achievements resulting from each activity and FP Corporation's future directions so everyone can understand the essence of our group.

The Environmental Report Guidelines from the Ministry of the Environment (FY2018 edition), the International Integrated Reporting Framework (IIRC Framework), and the Guidance for Collaborative Value Creation 2.0 were used as references in preparing this report.

Time period covered: April 1, 2024 – March 31, 2025

Range of coverage: FP Corporation and the FP Corporation Group

FP Corporation Report 2025 Published: June 2025 We will consistently act in line with the essence of the FPCO Group, desiring to be a good company for all stakeholders.

Message from Group Representative

We will consistently act in line with the essence of the FPCO Group, desiring to be a good company for all stakeholders.

Chairman, Representative Director and
Group Representative

佐藤守正

The FP Corporation launched the Waigaya Meeting program this fiscal year. In these meetings, members of the management team, including me, and other employees ask each other frank questions and exchange frank opinions in a casual atmosphere.

One of the achievements of this initiative is that we extended the period during which employees are allowed to work shorter hours up to the end of their child's sixth year of elementary school in response to the opinions of employees. I felt that this has enabled us to support employees more flexibly in their balancing of work and childcare, and the internal atmosphere of the company has changed a little.

The FPCO Group's watchwords underlying these initiatives are "a good company." The definition of a good company varies from employee to employee. Some say it is a company with a pleasant work environment. Others say that it is a company that makes it possible to have job satisfaction or a company that is loved by its customers, and others say that it is a company that is needed by society. However, while their definition varies, all of us share the desire to make FP Corporation a good company. For example, we feel that we have again moved a step closer to being a good company when a customer praises a product as truly reflecting the essence of the FPCO Group. Comments like these enable us to have job satisfaction. They are achievements made possible by the creation of a pleasant workplace.

Ahead of the essence of the FPCO Group is a good company, and ahead of a good company is the creation of the social value that we provide to all of our stakeholders. I would be happy if you feel that FP Corporation is a good company when you learn about our value creation process, which is described in this report.

Enhancing product value that matches the times, with the goal of catering to society's needs

FP Corporation is a company that contributes to enriching people's dietary lives through food containers. For the 63 years since our founding, we have been fulfilling our mission as a company by providing the value demanded by society and giving shape to new ideas aligned with the changes of the times. Consistently observing the hands-on approach and customer-first concept that are elements of our management philosophy, we have continued to develop products which cater to new needs.

One example is the development of food containers that will respond effectively to labor shortages, which have been an issue in various industries in recent years. An increasing number of companies demand the automation and mechanization of product preparation and packaging, which have traditionally been done by hand in the back rooms of stores. The machines used in these processes, including the machines for supplying containers, dishing out products, lidding packages, sealing the tops of packages, labeling them, and loading them into plastic crates for transport, are made by various manufacturers. To create containers which are compatible with the machines used in all of these steps, FP Corporation develops products by exchanging information with each machine manufacturer, making it possible to meet on-site needs for labor savings and improved efficiency.

> "A product created based on ideas obtained from an on-site perspective is an embodied form of the essence of the FPCO Group."

We also offer products that help address the labor shortage from a different perspective. Shipments of our sashimi containers, which we designed assuming that tsuma (shredded radish) would be sold separately, have been increasing significantly since 2023. These containers are multifunctional products that help reduce the time necessary for plating the foods, while also reducing the cost of labor and tsuma and minimizing food waste.

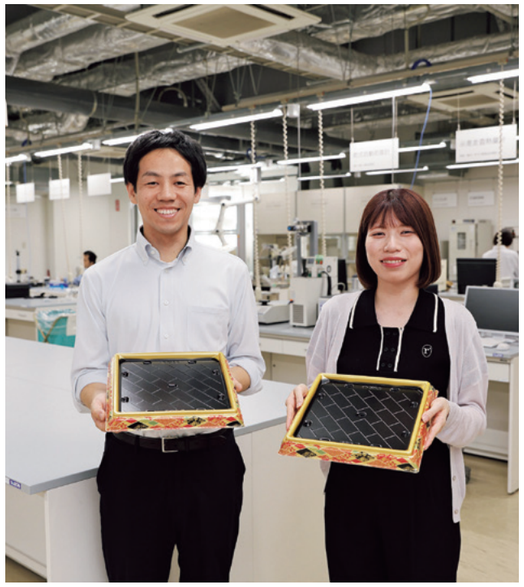
Products created based on ideas obtained from an on-site perspective are the embodiment of the essence of the FPCO Group, which consistently observes its hands-on approach and customer-first concept.

Development of more environmentally friendly products that significantly reduce the use of materials

One of initiatives aimed at protecting the global environment is reducing the amount of plastic used in food containers. This is also a significant concern of customers who are subject to the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging, such as supermarkets and convenience stores. FP Corporation has for many years consistently developed creative ways to reduce the use of materials. We are developing a series of new low-foamed PS containers which make it possible to reduce the use of plastics by up to approx. 60% compared to existing non-foamed containers (HIPS). Containers that significantly reduce environmental impact while maintaining their functionality are receiving praise, and they are steadily replacing HIPS containers. Above all, shipments of the Shukuga-oke PT and Hyoga-oke PT sushi containers, which we introduced to the market in 2023, have grown a remarkable 63.5% year on year during the April to September 2024 period.

However, with transparent containers that cannot be foamed, the only way to reduce weight is to make the sheet thinner. An extremely high level of technology is needed to make the sheet thinner while maintaining its strength, and further, to make the containers compatible with automatic lid closers. At FP Corporation, we have succeeded in reducing the amount of plastic used for these transparent prepared food containers by an average of approx. 10.3%. We have achieved this by devising creative measures regarding their design to ensure strength even when the material is thin. Based on this technological innovation, we made a large-scale investment in molds. We had remade 85 molds and entirely renewed 232 prepared food containers by the spring of 2025.

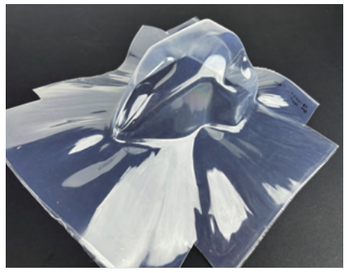
In addition, cold-resistant PPiP-talc is a new material that features superior cold resistance and that is attracting attention in the frozen food market, where demand is increasing, not only at retail stores but also on the front lines of nursing care and healthcare. Two inorganic materials are evenly dispersed and blended into the product, reducing the amount of plastic used by 25% yet maintaining the same functionality and the same weight as the existing cold-resistant PP. Products using this latest technology will begin to be used by major food manufacturers and frozen food manufacturers in 2025.



Members of the project team developing the new low-foamed PS container



The replacement of older containers with the new low-foamed PS is progressing, following Shukuga-oke and Hyoga-oke.



The features of the ultra-high-rigidity biaxially oriented polypropylene sheet (new OPP) under development include its formability and transparency, and that it can be decorated

A new material with great potential that was created through container development efforts

FP Corporation is the only company in the world that internally produces, forms, and sells sheets made from a material called biaxially oriented polypropylene terephthalate (OPET). Leveraging this stretching technology, we are proceeding steadily with the development of an innovative new material named ultra-high-rigidity biaxially oriented polypropylene sheet (new OPP). This sheet is formable and transparent, and it can also be decorated. Moreover, in addition to high rigidity, high ductility, cold resistance, and chemical resistance, this sheet is also superior in terms of its recyclability because it is made from polypropylene alone. The new OPP, which is an innovative as a container material, is astoundingly strong when it is layered. Featuring the same low coefficient of expansion as aluminum and a low specific gravity, the new OPP can be used in industrial fields such as housing equipment and automotive parts. The material can also contribute to the reduction of the weight of products and the use of plastics in these fields. Derived from food container development efforts, this material will be an innovation from FP Corporation that has the potential to help address unsolved issues beyond the framework of the food industry.

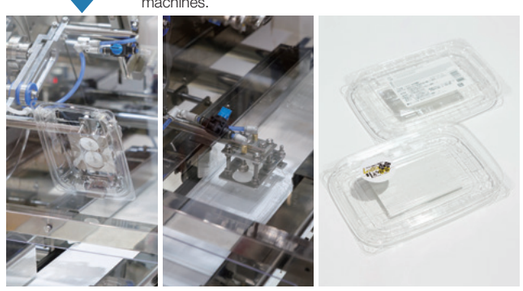


Reducing labor through the as-needed development of containers of various sizes and shapes which are compatible with automatic tray feeder and automatic ricer servers





The lid can be snapped shut even using an automatic lidding machine.
The container is also compatible with automatic labeling machines.







Kansai Plant and Kansai Hub Center, a production plant and logistics center complex that began operating in January 2023

Expanding Store-to-Store recycling, which starts and ends at the individual stores where the food containers are used

Sustainable, ecological activities are essential for companies in their continuing to develop high value-added products. FPCO started the FPCO method of recycling in 1990. While only foam trays were recycled in the early days of the program, we now collect used foam trays, transparent containers, and PET bottles via collection boxes placed in supermarkets and other facilities, recycle them into materials, and make them into food containers again. We call this closed loop recycling Tray-to-Tray and Bottle-to-Transparent Container™ recycling.



Joint Press Conference with Chugoku CGC (November 2022)

A feature of FPCO Method Recycling is that four parties, specifically, consumers, supermarkets and other customers, packaging wholesalers and FP Corporation, work together to complete the closed loop of product recycling. For over 35 years, we have been developing this recycling business which can only be implemented when all four parties play their roles. In recent years, however, the sluggish growth of the amount collected has been an issue. Therefore, at FP Corporation, we are currently proactively pushing forward with the proposal of Store-to-Store closed loop recycling. In this initiative, food trays and PET bottles used and sold at a store are collected by the store as resources, and then recycled into food trays and transparent containers, and used again at the store. Starting and ending at the stores where food is sold, this initiative enables consumers to be more familiar with closed loop recycling. In 2022, FP Corporation and individual supermarkets announced their collaborative “Store-to-Store recycling” declaration, and many new partners have joined in the initiative.

It has been confirmed that using recycled products reduces CO_2 emissions. For Eco Trays, this is an approx. 37% reduction, and it is an approx. 30% reduction for Eco APET and Eco OPET transparent container products, compared to trays and containers made from virgin materials. We will continue to push forward with the collection of even more materials that can be recycled and used for eco-friendly products. At the same time, we will continue to implement initiatives linked to sales floors to encourage consumers to participate more proactively, aiming to effectively use resources by joining forces with customers nationwide.

A nationwide network ensuring stable supply and resolving logistics problems

We have had almost zero stockouts in the last four years, as we understand that ensuring a stable supply of products is an important responsibility that we have as a food container manufacturer that is closely related to the everyday diets of people.

In logistics, a particularly important aspect of the 2024 problems caused by the revision of laws is the provision that limits the time that drivers spend at work to 13 hours per day. The Kansai Plant and Kansai Hub Center located in Kansai began operating in January 2023. With them coming online in Kansai, which is a large trade area, we have built a network where 85% of Japan’s total population is within a 100 km radius of one of our distribution centers which are located across the country. This has eliminated all of the 34 delivery routes which took 13 hours or more hours to complete deliveries.

At the same time, the logistics network we have completed is extremely efficient. It is divided into east and west with Chubu being the border between them. This has minimized the transfer of products, etc. between sites and resulted in a 53.5% year-on-year reduction of long-distance transportation between Kanto and Fukuyama in the fiscal year ended March 31, 2025.

We are also introducing sorters and transportation pallets with unique sizes that we developed ourselves to reduce the time that drivers spend waiting for cargo, etc. These initiatives resulted in a significant reduction of the number of trucks whose loading time was two hours or longer, from 230 to 24.

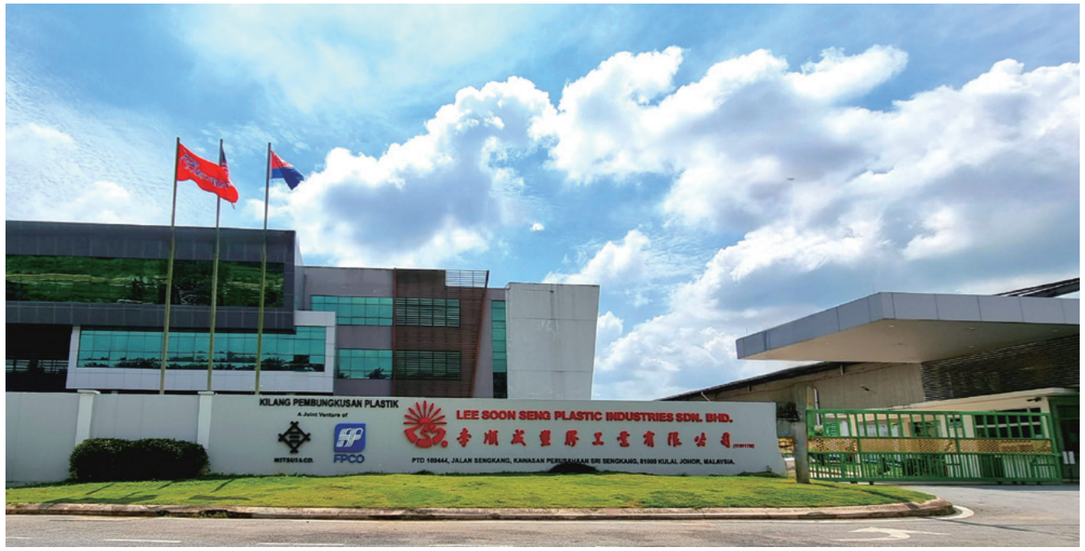
In addition to these initiatives, we promote local production in response to demand. Accordingly, FP Corporation has established a stable supply system while adapting flexibly to the changes of the times.

Diverse medium- to long-term strategies for sustainable growth

In the fiscal year ended March 31, 2025, we achieved ordinary profit of 18.4 billion yen. The medium- to long-term targets of FP Corporation are net sales of 300.0 billion yen and ordinary profit of 30.0 billion yen. We aim to achieve them by the fiscal year ending March 31, 2030. Regarding shareholder return, we raised the target dividend payout ratio from 30% to 40% in the fiscal year ended March 31, 2024, and we have decided to implement a progressive dividend* policy, under which dividends are not reduced, in principle, to continuously and stably pay dividends.

We are implementing the following initiatives to achieve these targets. First, we are further strengthening our original products. We are striving to capture new markets, such as the frozen food, nursing care food and hospital food markets, in addition to endeavoring to increase sales of eco-friendly products. Further, we plan to complete a new plant for new OPP, the advanced material that was described above, in 2027. With new OPP, we expect to enter new business areas outside food-related areas.

* A progressive dividend policy is a policy of maintaining or increasing dividends, with a commitment not to cut dividends, in principle.



LSSPI in Malaysia, which we acquired in a joint venture with Mitsui & Co., Ltd.

Second, another of our strengths is our full-scale commencement of overseas business. Two years after we acquired LSSPI in Malaysia in a joint venture with Mitsui & Co., Ltd., the equipment that we ordered, including molding machines and extruders has finally begun to be introduced at the plant. Next year, we expect to achieve the double productivity step in the three-year plan, broadening our vision in Southeast Asia.

Third, to increase sales in Japan, we are increasing our cooperation with wholesalers by promoting the efficient use of the Group's infrastructure.

In addition, in addition to our duty to implement growth initiatives, we have a duty to take environmental measures to enhance sustainability. As a part of the completely closed loop recycling of polystyrene that we have been advancing jointly with DIC Corporation, facilities for the dissolution and separation recycling of colored and patterned foam trays which were developed by DIC Corporation have come online. This is expected to result in an increase in sales of Eco Tray of approx. 30%. In parallel with this, we will also proceed with the development of chemical recycling, aiming to achieve completely closed loop recycling.



A facility for deinking colored pellets (the materials used to make trays) using dissolution and separation recycling technologies constructed at DIC's Yokkaichi Plant

Leveraging the essence of the FPCO Group to create value for society

FP Corporation is working to help establish a sustainable society by continuing to use our food containers to help facilitate people's diverse and exciting diets. These food containers have useful value to customers and society.

The mission of the company is to create value for society. Companies can enhance the value they provide to society further by being good companies for all their stakeholders. New issues will always continue to arise as the times change. However, we will continue to address challenges with a strong commitment to preserving the essence of FPCO and to remaining a good company, regardless of the times.

The theme for 2025 is *Kihaku*. This word represents an unyielding spirit and the mental strength to face any challenge without giving up. Last year, we worked under the theme of *Zenshin (advancement)*, endeavoring to increase customers' earnings and enhance their value regardless of the instability of society around the world and the natural environment. At the same time, we accelerated our growth as a company. In 2025, all employees will unite with *Kihaku—a spirit of determination—to enhance productivity and further drive the growth of our business performance.*

MATERIALITY

Materiality

At the FPCO Group, we are pursuing a number of initiatives to address our material issues (materiality), which we have defined from the viewpoint of risks and opportunities that are material for the sustainability of business models.
Material issues are prepared by the Environmental Strategy and TCFD Promotion & Management Committee, and are finalized after being approved by the Board of Directors.

Vision	Material Issues (Materiality) faced by the FPCO Group	Initiatives	Related SDGs
Building sustainable society	◎Reduce CO_2 emissions	○ Introduction of Solar Power Generating Facilities ○ Expanding eco-friendly products using recycled raw materials	7, 12, 13, 14, 15
	◎ Solving the issue of plastic waste	○ Collecting used products through recycling boxes ○ Activities through the FP Corp. Environment Fund	
Creating safe, secure, rich dietary lives	◎ Product development to provide new value	○ Value creation proposals ○ Research and development of new materials ○ Reducing plastic usage in products ○ Reducing food loss	9, 12
Establishing the infrastructure to reliably deliver products when needed	◎ Stable supply of products	○ Supply chain management (SCM) ○ Building a nationwide production and logistics network ○ Disaster preparedness (installation of emergency power generating equipment, fuel stockpiles and breakwater infrastructure)	8
Strengthen the management base	◎ Improvement of employee engagement ◎ Promoting inclusion ◎ Corporate Governance	○ Promoting decent work (fulfilling work that is safe and healthy) ○ Diversity-oriented management including the employment of people with disabilities ○ Human resource management (enhancement of personnel systems and various training programs) ○ Promotion of DX in general business activities	5, 8, 10, 16
Coexistence with local communities	◎ Community Engagement	○ Conducting recycling plant tours and on-site classes ○ Environmental activities conducted together with local communities through the FP Corp. Environment Fund ○ Donating containers for children's cafeterias	17

Business risks

Matters that may affect the FPCO Group's business performance, financial standing, stock price, etc. include the following.

1. Raw material prices 2. Occurrence of natural disasters, accidents or infectious diseases 3. Human resources 4. Climate change

The information in this document includes forward-looking statements based on judgments made at the end of the consolidated fiscal year under review. This information does not include all of the risks the FPCO Group is exposed to.
Please refer to our website for details: https://www.fpco.jp/ir/report/report_securities.html

Business / Products Manufactured and Sold

At the FPCO Group, we have built a system under which we manufacture, sell, and recycle food trays and containers that enables us to reliably deliver the most environmentally friendly products of the highest quality nationwide, whenever they are needed, using our own logistics network.



Product development and manufacturing

A production and supply system in place that covers consumption areas across Japan

We have 21 production plants all over Japan to reflect customer needs in product development and ensure a stable supply of food trays and containers in response to the expanding market. With our supply chain management (SCM) system, we develop production plans based on demand forecasts by the sales division and manage material procurement, product supply, and inventory using an integrated approach.



Recycling

Circular recycling of used trays and other products

We transport used food trays, transparent containers, and PET bottles collected at supermarkets or similar places to sorting plants located across Japan by utilizing trucks that return empty after delivering products. These used food trays and other products are recycled into raw materials at a recycling plant, and they are then made into food trays and transparent containers again. We are driving such Tray-to-Tray and Bottle-to-Transparent Container recycling.

General Purpose:



Eco Tray (recycled product)

Available in different sizes, colors and patterns for various applications

Sushi:





Delivering deliciousness to consumers without losing freshness

Meat:





Hygienic and emphasizing the taste and color of meat

Transparent Containers:





Freshness and deliciousness are visible through transparent containers

Hinged lid containers:





With additional functions for improving hygiene and convenience

Frozen food:





Containers and three-side sealed bags that can be used for diverse types of frozen food

Fresh Fish:





Boosting the attractive qualities of fresh seafood

Bento Box:





Available in different sizes, colors and patterns for various applications

Deli:





User-friendly with microwavable and other features

Events:





Ideal for joyful events where people gather

Delivery:





Containers that are appropriate for the delivery of diverse types of food

Others:







Paper containers, egg cartons, film products and more



Warehousing and logistics

An efficient, nationwide logistics network

We have built a logistics network with around 85% of Japan's total population within a 100 km radius of at least one of our nine logistics facilities nationwide, so we are able to reliably deliver around 12,000 types of products. Along with our products, we also deliver packaging materials, consumables, sanitary goods, items needed for work, and other goods required by supermarkets and other customers.



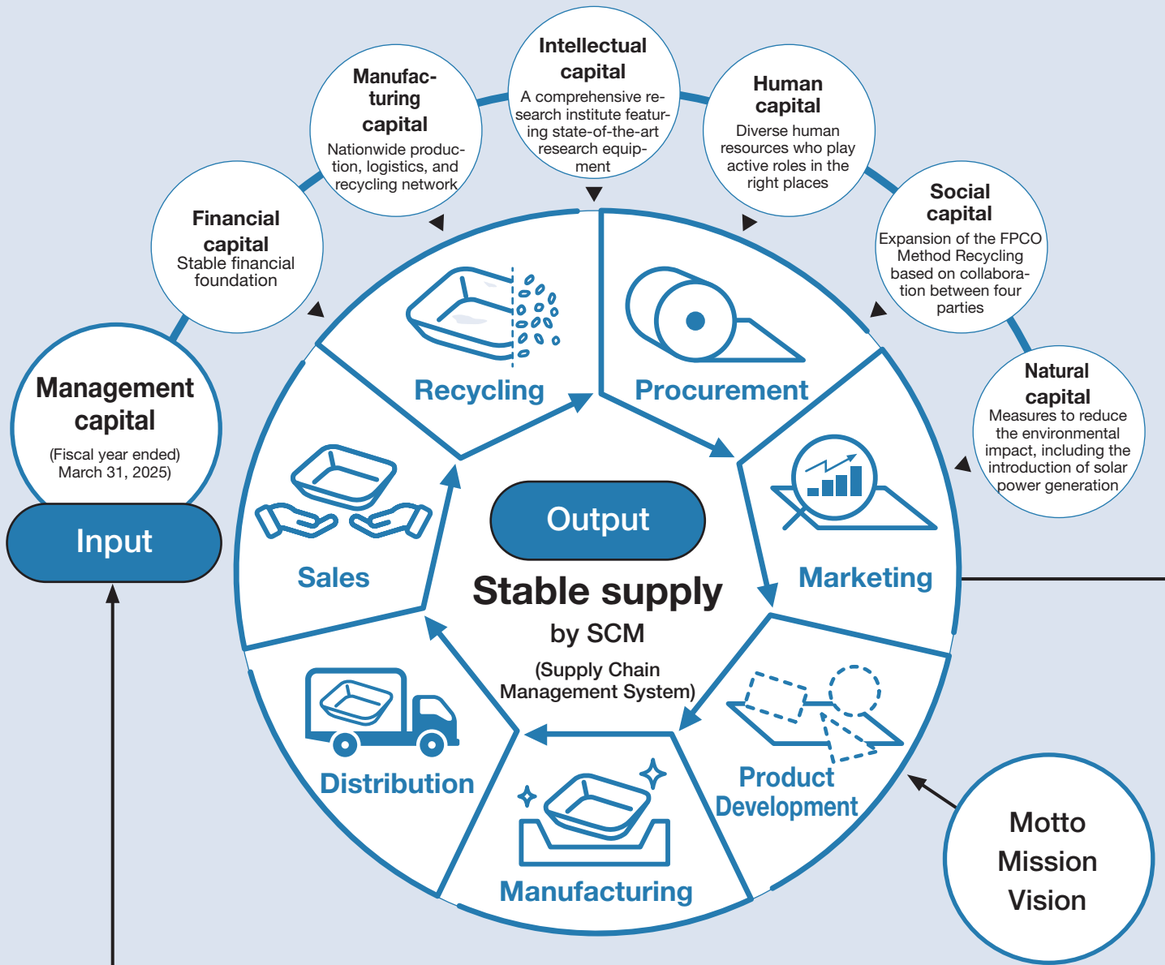
Sales

Proposals made based on our understanding of customer needs found at their work sites

The hands-on approach, the idea of placing the emphasis on food sales floors, identifying customer needs there, and developing products which cater to these needs, enables us to propose as many as approx. 1,500 new products every year. We also propose ideas on the creation of sales floors, among other things, from the perspective of customers, thus also practicing the customer-first concept.

Value Creation

Continuing to create various types of value, the FPCO Group manufactures, sells, and recycles food trays and containers leveraging its unique value chain.
We are creating further value by contributing to the establishment of a valuable dietary culture and a sustainable society.



Value chain that keeps creating value

Business operations in accordance with philosophy and vision

Outcome

Value created by the FPCO Group

Economic value

Net sales	Ordinary profit

Business expansion

Products which provide added value	Building a production and logistics network

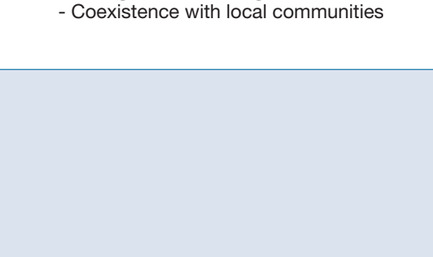
Environmental and social value

Recycling of the Earth's resources	Reduction of CO_2 emissions achieved through the sale of eco products
Reducing plastic usage	Active participation of human resources with disabilities

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Materiality initiatives

Building sustainable society



As a manufacturer of food trays and containers

- Creating safe, secure, rich dietary lives
- Establishing the infrastructure for reliably delivering the most environmentally friendly products of the highest quality, whenever they are needed



As a member of society

- Strengthen the management base
- Coexistence with local communities

Input

Six types of management capital for value creation
(fiscal year ended March 31, 2025)

Total assets 298.5 billion yen (Fiscal year ended March 31, 2024) ↓ 292.2 billion yen	**Financial capital** Our stable revenue base and sound financial standing support our sustainable growth and investment.	Equity ratio 48.6% (Fiscal year ended March 31, 2024) ↓ 52.5 %
Amount of capital expenditure 9.59 billion yen (Fiscal year ended March 31, 2024) ↓ 16.11 billion yen	**Manufacturing capital** We introduce the latest equipment and technologies to manufacture high-quality products and reinforce our supply structure.	Production plants 21 plants (Fiscal year ended March 31, 2024) ↓ 21 plants
Research and development expenses 1.48 billion yen (Fiscal year ended March 31, 2024) ↓ 1.54 billion yen	**Intellectual capital** We engage in research and development so that we are capable of developing unique products and innovative solutions, including recycling technologies.	Number of designs registered 145 (the registration organization's fiscal 2023) ↓ 156 (the registration organization's fiscal 2024)
Number of employees (Consolidated) 5,104 (Fiscal year ended March 31, 2024) ↓ 5,250	**Human capital** We are increasing the vitality of our organization by focusing efforts on the improvement of employees' expertise and the creation of a pleasant work environment.	Employment rate of people with disabilities 12.6% (Fiscal year ended March 31, 2024) ↓ 12.6 %
Number of used container collection points 10,680 locations (Fiscal year ended March 31, 2024) ↓ 11,000 locations	**Social capital** We have built relationships of trust with local communities, including consumers and customers.	Volume of collected plastic resources 10,500 tons (Fiscal year ended March 31, 2024) ↓ 11,000 t
CO_2 emissions Approx. 187,000 tons (Fiscal year ended March 31, 2024) ↓ Approx. 17.4 tons	**Natural capital** We are reducing our environmental impact through measures including the recycling, development, manufacturing, and sale of eco-friendly products and the generation of solar power.	Reduction of CO_2 emissions achieved through the sale of eco products Approx. 202,000 tons (Fiscal year ended March 31, 2024) ↓ Approx. 209,000 tons

Outcome

Value created by the FPCO Group
(Fiscal year ended March 31, 2025)

Net sales 222.1 billion yen (Fiscal year ended March 31, 2024) ↓ Achievements 235.6 billion yen	**Economic value** We achieve competitiveness and stable profits by having efficient manufacturing and logistics systems and providing environmentally friendly products.	Ordinary profit 16.7 billion yen (Fiscal year ended March 31, 2024) ↓ Achievements 18.4 billion yen

Business expansion

(i) Developing products which provide added value

Achievements Original materials: 8 materials
Percentage of materials that are original, based on shipping quantity: 68 %

(ii) Building a production and logistics network

Achievements 85 % of the total population of Japan is within a 100 km radius of at least one of our distribution centers

(iii) Using M&A to maximize the use of the Group's infrastructure, for instance by enhancing its sales capabilities, in the Kyushu region.

(iv) Developing new markets, such as the frozen food, hospital food and nursing care food markets

(v) Entering new business domains with new materials

(vi) Expanding overseas markets with Malaysia as a stronghold

Environmental and social value

Recycling of the Earth's resources

Achievements Percentage increase of sales of Eco Trays made using dissolution and separation recycling technologies (year-on-year): Approx. 30 % (forecast)

Achievements CO_2 emission reduction percentage achieved through sales of Eco Trays (shipped in or after and Hyoga-oke): 37 %

Achievements Plastic use reduction percentage (Shukuga-oke and Hyoga-oke): Approx. 60 %

Achievements Active participation of human resources with disabilities
Number of employees with disabilities: 401
Employment rate of people with disabilities: 12.6 %

Completion of the Kansai Sorting Plant

Developing resource recycling at a new base

In November 2024, the Kansai Sorting Plant was completed in Ono City, Hyogo. At this facility, used foam trays (PSP) and transparent containers are sorted as one step in the recycling process. The monthly handling capacity of the plant is 60 tons of PSP and 40 tons of transparent containers. This plant is adjacent to the Kansai Plant and the Kansai Hub Center, which began operating in January 2023. It is our new stronghold for the sustainable and circular recycling of plastic resources where we advance the efficient recycling of used products that are collected locally.



Value Chain of FPCO

**FP Corporation has been developing cohesion and a unique value chain with the goal of establishing a sustainable society.
Both are created because of the unity of our employees and their willingness to take on challenges.**

President, Representative Director

安田和之

Harmony between people is our driving force. Cohesion has been passed down at FP Corporation.

I have been with FP Corporation for 47 years. I remember very well that when I was first assigned to a manufacturing site, I felt the warmth created by the relationships between employees, and also the arduousness of the work. This made me realize that FP Corporation is not merely a company that manufactures and sells goods. The company not only operates businesses by using technologies and equipment but also is driven by the energy created due to the harmony between people. This is what I felt.

This corporate culture was created by the management style of the late Yasuhiro Komatsu, our founder. This management style is energetic and always positive. He used to tell us, “Always start with the bad news,” when reporting matters to him. We address and overcome problems together. This is how we do things at FP Corporation. A typical example is the recycling business, which was launched when the recycling of food trays was believed to be impossible. We can say that FPCO Method Recycling, which is done through cooperation of four parties, specifically, consumers, supermarkets and other customers, packaging wholesalers, and FP Corporation, is a symbol of the cohesion that transcends the framework of FP Corporation. The sense of unity felt internally, which exists as the core of our businesses and corporate organizations, has been passed down without interruption as the unmistakable essence of the FPCO Group.

FP Corporation’s unique value chain is made possible by our supply chain management system and cohesion

FP Corporation is engaged in the development, manufacturing, sale, delivery, and recycling of food trays and containers. The greatest feature of this series of business activities is that profit-making activities and the activities that create value from an ESG perspective are inextricably linked to each other. In a word, improving business performance means protecting the environment. At the core of the unique business structure of FP Corporation is the existence of the circular value chain, which is made possible by the integrated efforts of FPCO Group and its supply chain management (SCM) system, which is the control tower of the value chain. The value creation process and the achievements of that process, which are products of the FP Corporation’s value chain, are explained in the following pages. Please take a look at these pages.

As I mentioned above, what drives FP Corporation forward is the power of harmony between people. This sense of unity plays an important role in making the circular value chain possible.

The SCM Division, which serves as the control tower for our businesses, collects almost all of the information related to our operations, including demand forecasts submitted by





sales staff, travel distance data submitted by the logistics division, and production volume of recycled materials, before issuing orders to the individual divisions. However, the centralization of all the information within the SCM Division is not sufficient for the complete streamlining of operations. The divisions involved in the seven processes of our value chain cooperate by exchanging information and providing ideas to each other all the time.

For example, when the logistics division tries to improve transportation efficiency, the other divisions also work together to address the challenge. The procurement division finely adjusts the size of the cardboard cases while the product development division devises creative measures regarding the shape of products to make it possible to stack more products. Through initiatives like these, all of the divisions strive to maximize the number of products and cases that can be loaded into a vehicle. Information and data about issues that are solved in this way are provided to the SCM Division as feedback, and the value chain evolves as necessary.

A specific example of this in the fiscal year ended March 31, 2025 is the dissolution and separation recycling technologies which began to be used practically. The procurement division played a leading role in this, and it made it possible to increase the production of Eco Trays. We expect shipments to increase by 70,000 cases. Cooperation between divisions has also led to the reduction of CO_2 emissions. The reduction that we achieved exceeded the emissions from our business activities. Details of these achievements can be found in the later pages of this report.

The horizontal cooperation between divisions and the SC which is linked individually to each division has made it possible for FP Corporation's value chain to solve various issues and achieve various targets.

Growth that comes from taking on challenges, and a good company that continues to evolve

Our sense of unity, which is important as the driving force of our value chain for the implementation of our business, is probably a factor in the creation of a good company, something that is referred to in various parts of this report. FP Corporation's watchwords are "a good company" We are all thinking about it and making it a reality. I myself also think about it. I think that a good company is one that puts its employees first. A company cannot grow if its employees don't grow.

Regarding the human resource development aspects of our business, we are planning job rotation throughout Group companies and other initiatives. In addition, we plan to increase the number of annual holidays to 120 days starting in the fiscal year ending March 31, 2026. Presently there are 116 holidays. This reflects our belief that personal development is also facilitated by the creation of a pleasant workplace environment. The additional four holidays are equal to approx. 1.5% of our productivity in terms of production. Therefore, we plan to take measures to compensate for this 1.5% loss, including capital expenditures and investments in systems.

Further, I also think that people achieve the greatest growth when they overcome difficulties. I always remind myself that if I'm not currently facing a challenge, it's time to take on something new or go on an adventure. We should never rest content with the current situation but take on challenges without fearing failure, and we should work together to achieve targets. This will enable us to achieve greater cohesion. I believe that this mindset represents the true spirit of FP Corporation—and it is the path toward becoming a truly great company.



— Connecting value and creating future —

Value Creation System

The supply chain management (SCM) system is the control tower for our manufacturing activities. It controls the process from procurement to marketing, product development, manufacturing, logistics, sales, and recycling in an integrated manner to support our value creation process catering to the needs of society.

This circulation process not only streamlines our value chain but also creates valuable connections. We will also contribute to the reduction of the environmental impact of society by stably supplying what is needed in the optimal form whenever it is needed.

Here, we introduce the future created by FP Corporation's SCM, its roles, and the things that we have achieved through our value creation activities.

Roles of Each Division Under the SCM System 21-27
Value Creation through the Value Chain and Achievements 28-36

Procurement

Stable procurement of safe, compliant materials

Key points

Reliably securing materials

Building procurement networks that enable FP Corporation to handle any situation

CSR procurement

Maintaining the confidence of society in the manufacturing of all products

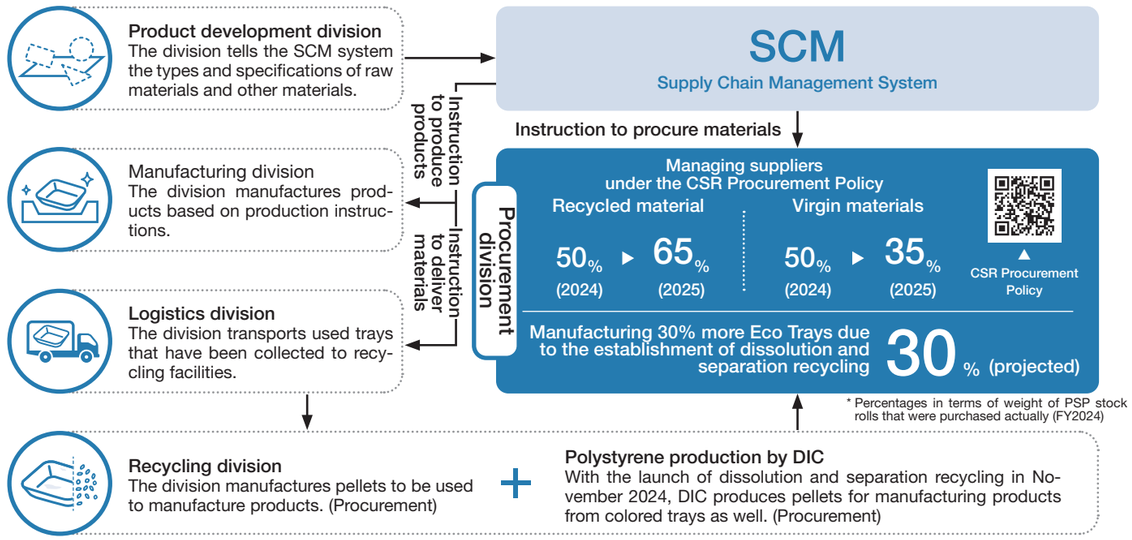
Reduction of environmental impact

Developing and procuring lightweight materials and actively utilizing materials we recycle ourselves

One role of the procurement division is to procure materials for products in response to instructions to procure materials issued by the SCM system. We endeavor to reduce supply risks to fulfill our mission to reliably deliver products whenever they are needed. We have built multiple procurement networks in Japan and other countries, signing contracts with approx. 300 companies including suppliers of raw materials, sheets, and secondary materials, so that we can supply materials smoothly to the manufacturing division anytime, no matter what trouble may occur, not to mention at normal times. Further, to manufacture the most environmental products of the highest quality, we select virgin materials and recycled materials, fully considering the impact of each on quality and the environment. We procure the former in accordance with the CSR Procurement Policy, which clearly states compliant procurement operations in writing. Helping reduce environmental impact by increasing the ratio of recycled materials used in our products is also a big mission of the procurement division.



■ Role of procurement in the supply chain management system



Marketing

Identifying needs through insights gained by collecting information on sales floors and through analysis

Key points

Identifying needs

Information analyses fully leveraging the steady efforts of humans and AI

Generating ideas

Proposals for developing products with added value leading to solutions to issues

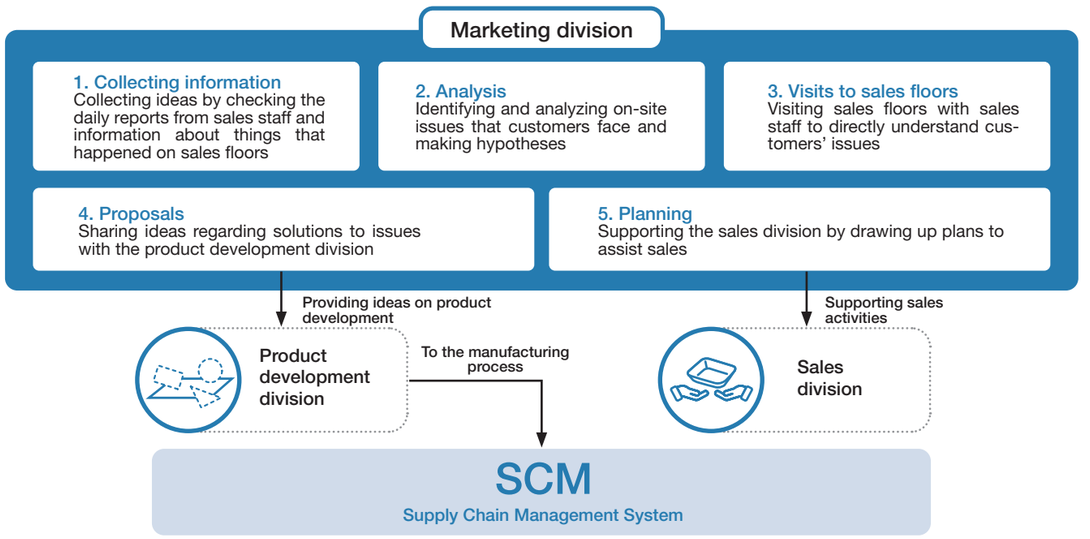
Proposing and implementing plans

Effective communication strategies that support sales

Effective communication strategies that support sales Real opinions collected on sales floors by the sales staff of the sales division are submitted to the marketing division as daily reports. The marketing division uses AI to analyze the vast amount of data, devises ideas based on customers' needs and market trends, and provides the ideas to the product development division. The division also leads initiatives such as the FPCO Fair, where a wide range of solutions are proposed in line with food industry trends, and it holds seminars for customers and sales staff as part of its sales support strategy. The division helps improve customer satisfaction and our competitiveness by quickly linking these initiatives to the development of products with designs and new functions that are in line with needs.



■ Role of marketing in the supply chain management system



Product Development

Proprietary technologies, original materials, and product development capabilities that give shape to solutions that fulfill customers' needs

Key points

Creation of added value

Developing new products with added value which enables FP Corporation to provide solutions

Research and development of new materials

Original new materials from FP Corporation which are developed using our unique expertise

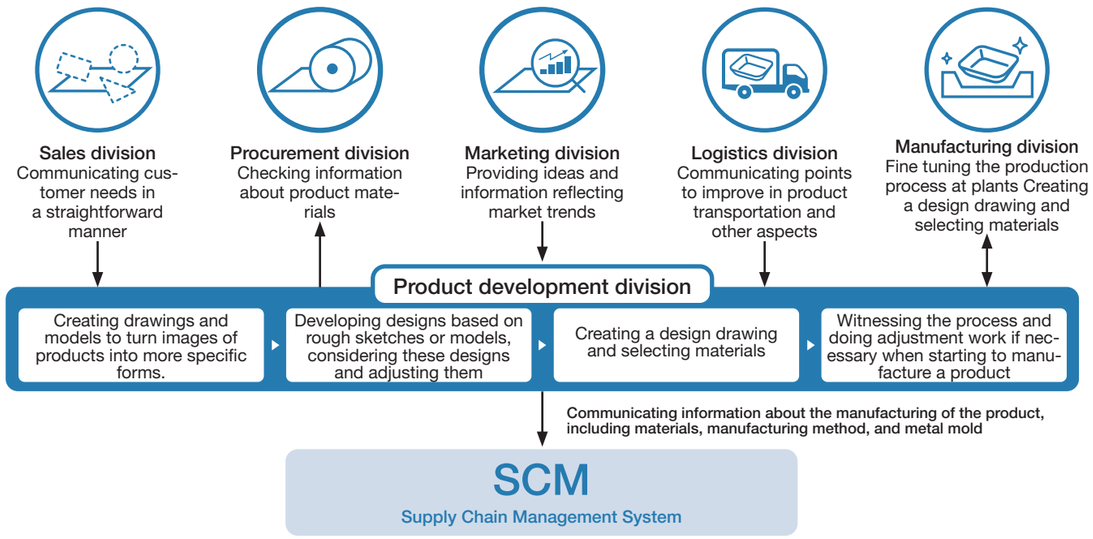
Test and validation

Ongoing confirmation of the quality and safety of the materials that are used

The product development division, which is in charge of the important process of materializing value, is linked to the largest number of divisions in the SCM system. The division plays a wide variety of roles, not only in the development of products with various kinds of added value, such as value that reflects customers' needs or market trends or value that assists the streamlining of production and logistics, but also in the improvement of the precision of product design through the detailed exchange of information with the production division. Our product development stronghold, the FPCO Comprehensive Research Institute, is in front of the Fukuyama Headquarters. By fully leveraging our proprietary technologies, as many as approx. 1,200 new products are created every year. Further, the Basic Technical Engineering Department in the FPCO Comprehensive Research Institute is also working on the development of new materials with the goal of creating new markets. It also examines the quality and safety of the materials that are used, so that FP Corporation can manufacture safe and reliable food containers.



■ Roles of the product development in the supply chain management system



Manufacturing

Ensuring stable supply with a nationwide manufacturing network and advanced automation and human resource development initiatives

Key points

Stable supply of products

Well-planned operation of production plants in 21 locations nationwide, including four large-scale facilities

Streamlined production

Introducing as many robots as possible in pursuit of advanced automation and labor-saving solutions

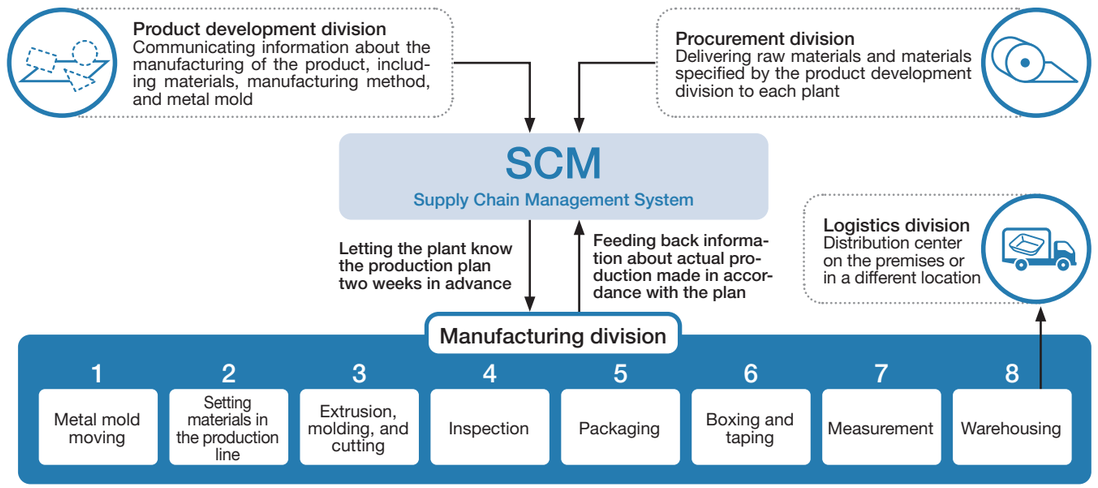
Human resource development

Implementing training programs to provide full knowledge of manufacturing process and enable trainees to be highly skilled

The responsibilities of the manufacturing division include maintaining the efficiency of manufacturing processes, in addition to ensuring the stable supply of products. In response to instructions to produce products issued by the SCM system, the division efficiently operates 21 plants nationwide, ensuring that FP Corporation can promptly respond to customers all over Japan and that its supply system is reliable. The division responsible for each plant is pushing forward with the automation of the plant using robots and the construction of manufacturing lines to address the labor shortage and reduce the labor necessary in its activities. Many processes are done by machines, but for the processes that require people, the division has introduced the One-on-One Leader System, under which employees pair with senior colleagues for coaching, and senior colleagues judge the skills of employees to check their growth as employees, facilitating the development of human resources who are able to demonstrate advanced skills and contribute to the reliability of FP Corporation's production capacity.



■ Role of manufacturing in the supply chain management system



Most of the tasks in ❶ to ❽ are automated with robots.
In ❷ and ❸, machines are adjusted by human workers manually to prevent manufacturing errors and to improve efficiency. This is an important task, and through it, we pass down the expertise we have accumulated to the next generation.

Distribution

Reliably delivering products whenever they are needed using our logistics network system

Key points

In-house logistics

Enabling FP Corporation's **circular value chain,** in which products and goods are delivered and used containers are collected

Increasing the efficiency of logistics

A network **with 85% of the total population within a 100 km radius** of at least one of our bases

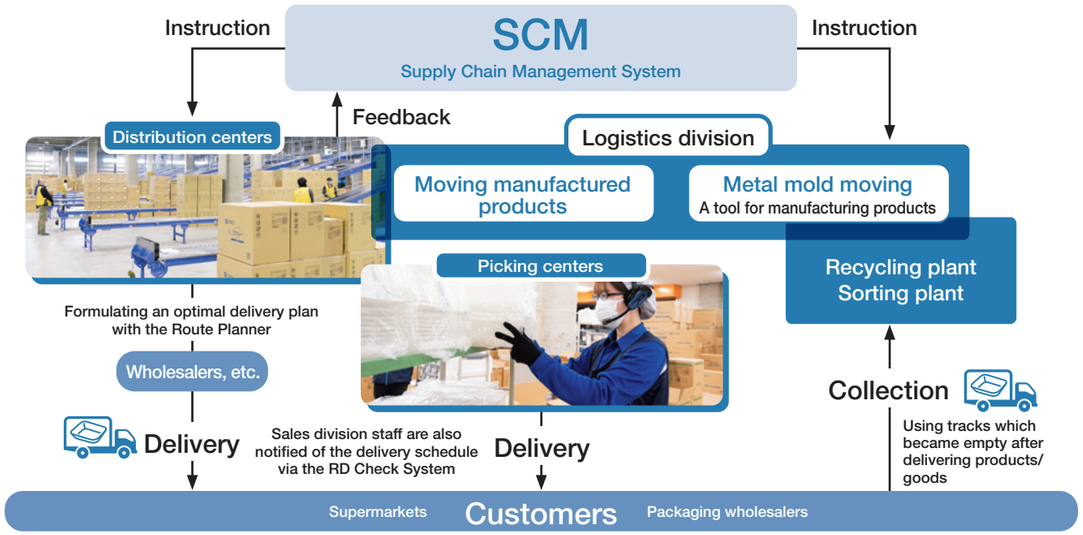
Optimizing tasks

Various measures to ensure the **accuracy** and **promptness** of all tasks, including **acceptance, inventory control, shipment, picking, and delivery** tasks

A major feature of FP Corporation's logistics division is that the company has built its own logistics network, in which it implements both warehousing operations with a wholesaler function and delivery operations—the delivering of products and goods to customers. This enables the series of operations, including the transportation of molds for manufacturing products, control of manufactured product inventories, transfer of products between facilities, picking to package goods and products that have been purchased together, shipment and delivery, to be done smoothly through cooperation between the Manufacturing Division and the Sales Division. The division also takes steps to streamline each operation, including the use of Route Planner to manage deliveries, automation of warehousing operations, voice-activated picking, and the system for checking the status of deliveries (the RO Check System). The division has thus established a system for reliably delivering products to customers whenever they are needed, and the trucks that are empty after delivering products and goods are used to transport used containers to recycling facilities. This is a key measure that makes FP Corporation's circular value chain work.



■ Role of logistics in the supply chain management system



Sales

Identifying needs and proposing various solutions from the customer's perspective, a process rooted in our hands-on approach

Key points

Understand the needs

Learning information and identifying needs through sales activities in line with the **hands-on approach** that is a part of our mission

Creative proposal methods

Carrying out **a wide variety of proposal-based sales activities,** including **the FPCO Fair**

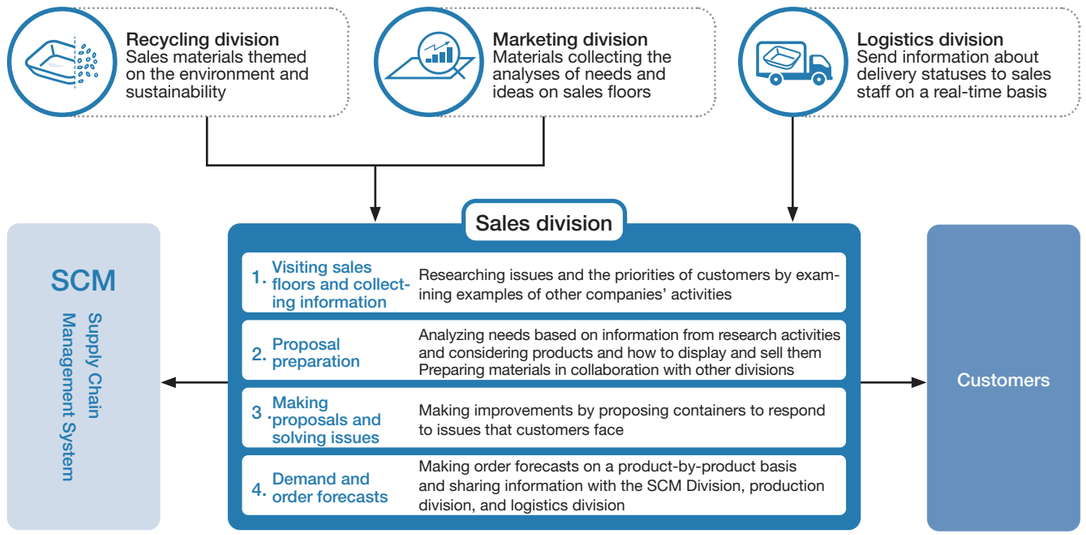
Supporting circular recycling

Promoting Store-to-Store recycling, which starts and ends at each store where containers are used

The sales division's slogans are "Have business negotiations and exchange information with 100 people every month" and "Be the company that customers call first." Real information obtained by frequently visiting food sales floors to learn about issues and listen to requests is submitted to the marketing division in the form of daily reports, this information is analyzed, and the results are provided to the sales division as feedback reports. The sales division has established a cycle of using these reports to propose new plans or ideas on site to respond to each individual customer and collect more information. Another feature is proposal-based sales activities for talking directly with many customers to tell them about the added value of our products. These activities include the FPCO Fair, a major private show where we reproduce sales floors for the attendees. Another important responsibility of the sales division is to expand sales of recycled products, and it is also committed to promoting Store-to-Store recycling, which is FPCO Method Recycling that starts and ends at each store.



■ Roles of the sales division in the supply chain management system



Recycling

Transforming used products into new products leveraging collection points and recycling plants throughout Japan

Key points

Manufacturing of materials for recycling

Recycling used products into raw materials with added value

Establishment of a nationwide network

Our own recycling plants located in various areas that serve the entire country

Strengthening closed loop recycling

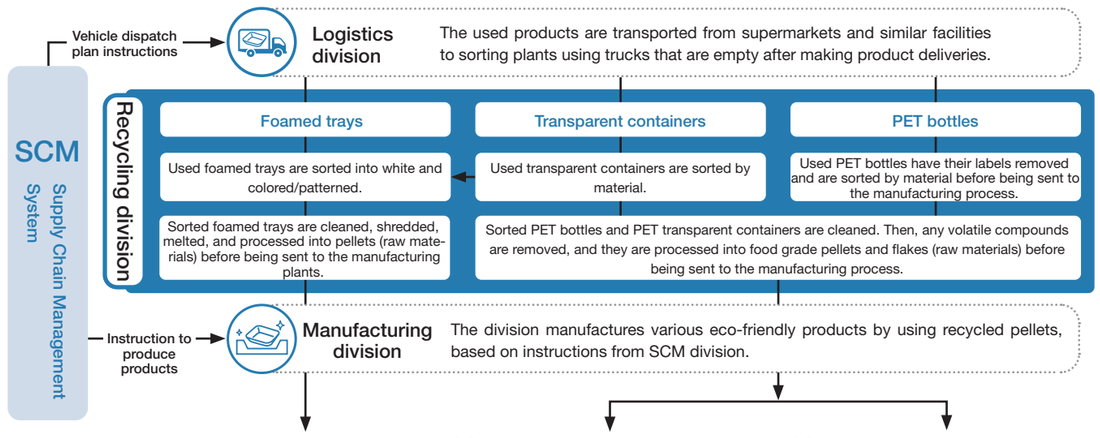
Raising awareness of Store-to-Store® recycling by cooperating with the sales division

One role of the recycling division is to complete the closed loop of the SCM system by recycling the used containers that have been collected. Approx. 40 tons of used products collected from supermarkets and similar places are sorted, cleaned, pulverized, and melted before they are recycled into pellets which are used as new raw materials at our 17 recycling facilities located throughout Japan. These pellets are sent to production plants. In addition, we use the latest technologies to sort used transparent container materials, which enables them to be recycled more efficiently and accurately. The division is always contributing to the improvement of the quality of products and aiming to expand this sustainable circular system and reduce society's environmental impact.



To procurement

■ Role of recycling in the supply chain management system





Eco Tray

Foamed polystyrene food trays These products feature superior heat retention, excellent heat insulation, and versatility. They are used widely for fresh meat, fish, and similar foods.



Eco APET

These products feature oil resistance and transparency. They are used mainly as salad containers and cold noodle containers.



Eco OPET

These products are oil-resistant and transparent. They also have 80°C heat resistance and cold resistance. They are widely used as the lids of microwavable containers.

Procuring recycled materials by dissolving and separating polystyrene using a deinking technology

FP Corporation collects and recycles used food trays and transparent containers from approx. 11,000 collection points nationwide in supermarkets and similar places. Used white foam trays are recycled into Eco Trays However, previously, colored and patterned foam trays were mostly recycled into hangers and other everyday sundries because they become black when recycled into pellets.

To solve this problem, FP Corporation worked together with DIC Corporation, and DIC's Yokkaichi Plant which includes dissolution and separation recycling equipment was completed in November 2024. This equipment uses dissolution and separation recycling technologies (the Dic method) to separate colored components from colored and patterned foam trays and recycle them into transparent polystyrene (PS). This makes it possible to reuse them for food trays, and it is expected that this will supply us with approx. 10,000 tons of recycled polystyrene every year. FP Corporation has entered a new stage in the recycling of used food trays. It is expected that this innovative technology will lead to an approx. 30% increase in the number of cases of Eco Trays sold.

Further, we aim to realize the complete circular recycling of polystyrene by combining this dissolution and separation recycling with chemical recycling (monomer recovery). Through these activities, FP Corporation is proactively pushing forward with the expansion of eco-friendly products and the reduction of CO_2 emissions in the lifecycles of food packaging containers while constantly working to develop new technologies to improve sustainability. We are contributing greatly to the effective utilization of resources.

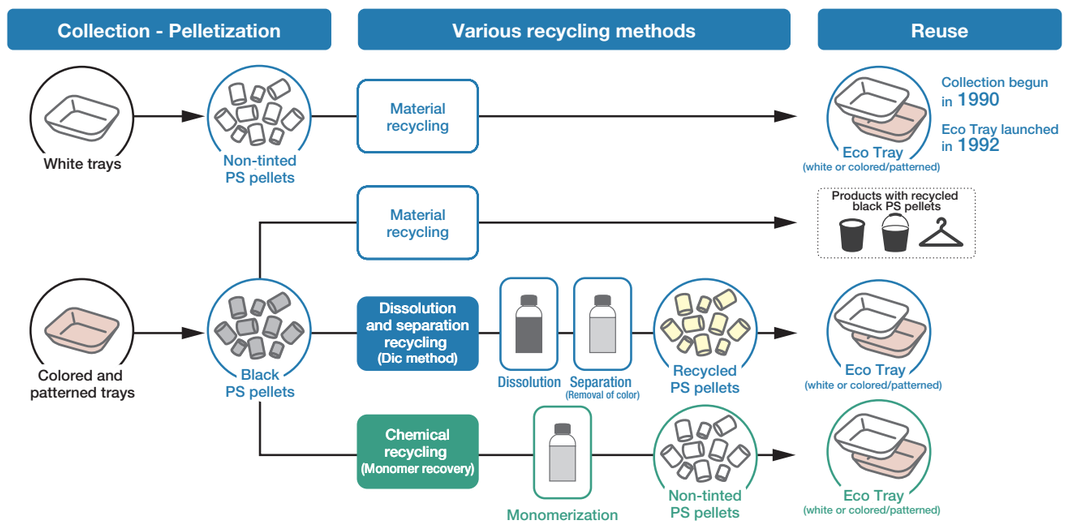
Percent increase in the number of cases of Eco Trays sold due to the dissolution and separation recycling technologies

2024→2025
Approx.
30%
increase (estimate)

Relevant components of the SCM system

Procurement Recycling

■ Various methods for the complete circular recycling of polystyrene



Almost zero stockouts due to our extensive, stable supply system

FP Corporation has maintained its record of almost zero stockouts since September 2020 due to our SCM system which features accurate production forecasting which is improved using a combination of data from manufacturing and logistics sites and AI forecasts. At the same time, we are developing a system for steadily implementing manufacturing and logistics plans on an ongoing basis.

We have 21 plants throughout Japan. Additionally, in areas with huge trading zones, we have established four large-scale facilities to consolidate production plants, distribution centers, and recycling facilities within each of these facilities. As explained in the Logistics section (page 25), FP Corporation has its own logistics system tailored to its business operations, and we have established production plants and logistics facilities in pairs, most notably in the four large-scale facilities. This have enabled us to establish a reliable and speedy production and delivery system. In 2023, the Kansai Plant and Kansai Hub Center began operating, resulting in the completion of a logistics network that has around 85% of Japan's total population within a 100 km radius of at least one of our distribution centers.

Further, the Kansai Hub Center beginning operations effectively improved the work environment of delivery drivers. It resulted in solving the 2024 problems in logistics. To ensure a stable supply of products, it is also necessary to reduce the hours that drivers spend at work and to implement countermeasures to address the labor shortage. FP Corporation is pushing forward with initiatives to reduce labor at our manufacturing and logistics sites. At our production plants, we have used robots to automate most tasks. As a result, there are only about 2.5 staff members per line. At our distribution centers, automated guided vehicles and automated guided forklifts are used to transport cases and we use voice-activated picking technology to make hands-free picking operations possible to increase employee's concentration on the task, selecting and packing the items to be shipped. These efforts have enabled us to reduce the labor necessary and increase efficiency.

Additionally, our logistics facilities are equipped with emergency power generation equipment so that we are ready to continue to supply power to our facilities for 72 hours if an emergency or disaster occurs. This risk control measure makes it possible for us to deliver products and goods without interruption.





Pairing of production plants and logistics facilities: The passages that link production plants to logistics hub centers have made it possible to ship products and goods efficiently and promptly.

System and measures for highly accurate demand forecasts, production, and delivery

Nearly zero stockouts

0

since the COVID-19 pandemic

A logistics network that

85%

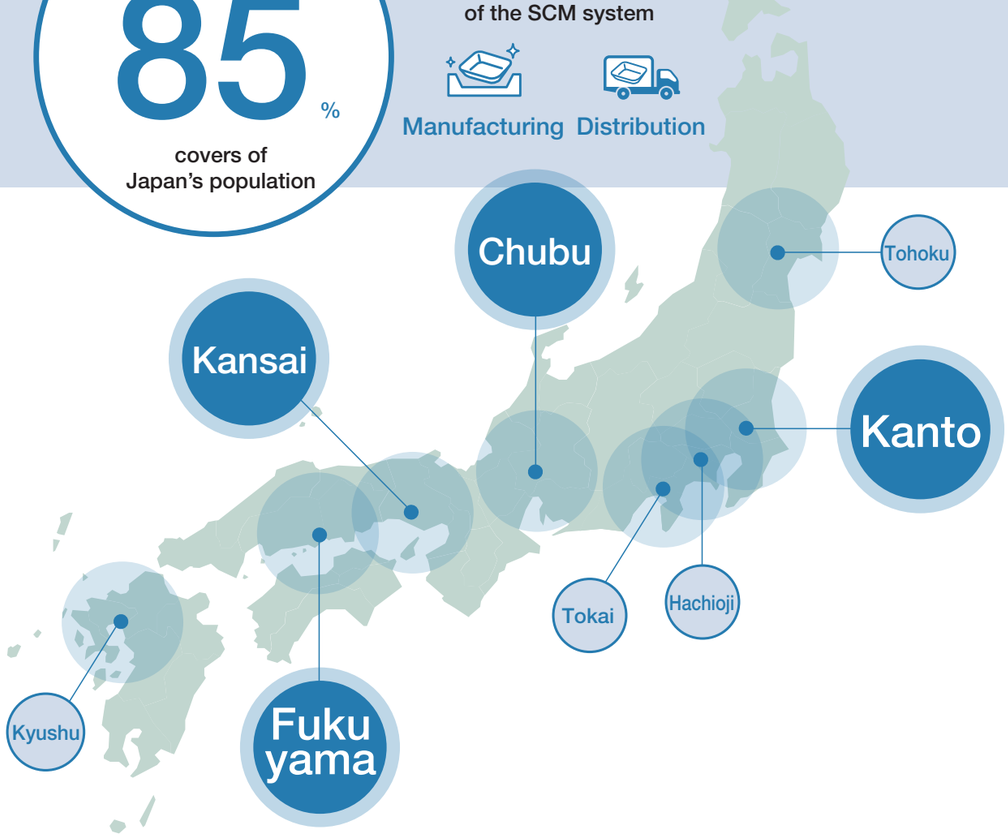
covers of Japan's population



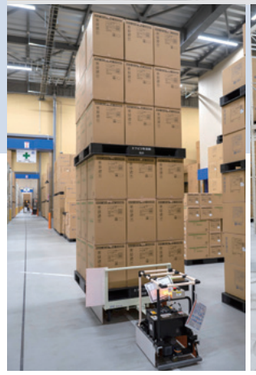
Young employees working at a distribution center supporting FP Corporation logistics

Relevant components of the SCM system

Manufacturing Distribution









Addressing labor shortages: Labor-saving robots used for various production plant and warehouse tasks



Power supply in emergencies: Emergency power generation equipment installed at our logistics facilities capable of supplying power for 72 hours.

Collaborating with supermarkets to increase the used product recycling ratio and the eco-friendly product ratio

FP Corporation launched FPCO Method Recycling in 1990. We have since been developing a recycling model based on the collaboration of four parties: consumers, supermarkets, packaging wholesalers, and FP Corporation. At present, we are pushing forward with Tray-to-Tray recycling, in which we collect used foam trays and transparent containers and make them into new food containers again, as well as Bottle-to-Transparent Container™ recycling, in which used PET bottles are recycled into products. Further, in 2020, we developed the Store-to-Store recycling concept and began to implement initiatives to increase the amount of used products we collect. In these initiatives, we promote the appeal of a recycling system in which food trays, transparent containers, and PET bottles used and sold at a store are collected by the store, recycled into food trays and transparent containers by FP Corporation, and used again at the same store whenever possible, so that supermarkets will be leaders of eco-friendly activities in each local community. The goal of these efforts is to increase people's awareness of recycling, including both the supermarkets selling food and the consumers buying it, by encouraging them to make this initiative, which starts and ends at each store, a daily habit. One achievement of these initiatives is that the amount collected at stores that collaborate with us has been increasing each year. Last year, 48% of the FP Corporation's products were eco-friendly products, and this increased to approx. 51% in the fiscal year ended March 31, 2025. Currently, there are approx. 3,000 stores run by more than 100 companies supporting these initiatives.

We will continue Store-to-Store recycling, which is coordinated with sales floors, by collaborating with customers all over Japan, aiming to accelerate the collection of used products and the use of eco-friendly products.

Percentage of all FP Corporation products that are eco-friendly products (in terms of quantity)

FY ended March 31, 2025

51 %

Results for FY ended March 31, 2024 (48%)

Relevant components of the SCM system

Sales Recycling

■ Store-to-Store® recycling which enables stores to be leaders in the eco-friendly activities in each local community

Food trays and PET bottles used and sold in a store are collected at the same store.
They are recycled into food trays and transparent containers by FP Corporation, and the recycled food trays and transparent containers are used at the same store whenever possible.



The CO_2 emissions avoided by selling eco-friendly products have exceeded the CO_2 emissions from the Group's business activities!

In March 2022, FP Corporation expressed our support for the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and formulated FP Corporation Eco Action (FPEA) 2.0, a medium- to long-term environmental plan. We had set the target of balancing (offsetting) CO_2 emissions from the Group with the reduction of CO_2 emissions made possible by eco-friendly products by the fiscal year ended March 31, 2025. We achieved this target in the fiscal year ended March 31, 2024, a year ahead of schedule, thanks to the increased sales of Eco Trays® and other eco-friendly products.

The growth of the eco-friendly products of FP Corporation also contributes to the reduction of customers' CO_2 emissions. For example, Chugoku CGC increased its reduction of CO_2 emissions from 902 tons in 2021 to 1,157 tons in 2023, achieving a 28% reduction. Through these efforts, we can see that selecting environmentally conscious products is important for gaining the support of consumers.

In addition, the reduction of CO_2 emissions achieved by manufacturing and selling eco-friendly products increased from 30% to 37%, starting with the products shipped on July 1. This achievement is because all three of our recycling plants, which are in Kanto, Fukuyama and Chubu, began to be powered by solar electricity on March 14, 2024. FP Corporation carefully calculated our emissions and discovered that we had reduced annual CO_2 emissions by 209,000 tons by manufacturing and selling eco-friendly products, a significant reduction of our environmental impact compared to using virgin materials.

FP Corporation will further enhance our eco-friendly products and strengthen our recycling system as we continue to work to help establish a sustainable society.

CO_2 reduction percentage achieved by using Eco Trays® instead of trays made from virgin materials

Approx.

37 %

It increased seven percentage points starting with products shipped on July 1, 2024

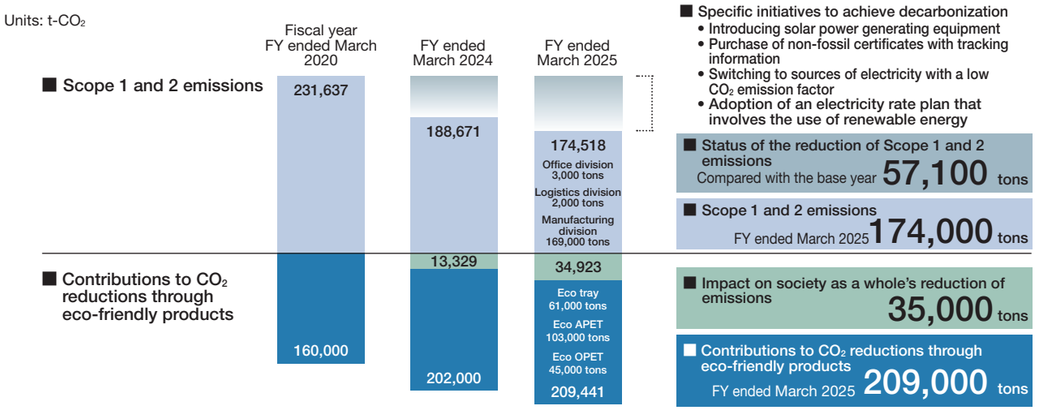
Relevant components of the SCM system

Manufacturing Distribution Recycling

■ The FPCO Group's initiatives to address global environmental problems

Relationship between (Scope 1 and 2) CO_2 emissions from the entire FPCO Group and the CO_2 reduction effects of eco-friendly product sales

Units: t-CO_2



We measure avoided CO_2 emissions as an indicator of the impact that eco-friendly products have on society and the environment, aiming to further enhance social and economic value. In the fiscal year ended March 31, 2024, the effect of the sales of eco-friendly products on the reduction of CO_2 emissions from the supply chain exceeded the (Scope 1 and 2) CO_2 emissions from our activities. We will continue to implement initiatives to achieve a decarbonized society.

Replicating sales floors at the FPCO Fair to widely and practically showcase the added value of the Group's products

FP Corporation holds the annual FPCO Fair trade show to propose practical and valuable solutions to customers. Instead of just exhibiting our products, we reproduce sales floors within the venue and devise creative measures to make customers' products look more attractive. The event is highly valued as an opportunity to learn about the creation of sales floors for specific purposes.

This trade show was first held in June 1976, when it was called Pearl Fair. At that time, it was rare for a food container manufacturer to hold a solo trade show. Now, however, it has grown into a major event that attracts about 15,000 visitors over the three-day period of the fair. We not only use the information we collect (value) in the manufacturing of products, but we also provide it widely to customers. This is why the event attracts many visitors and why it has gained strong support. During the FPCO Fair held in April 2025, we proposed various solutions under the event's theme: Containers that cater to your needs in terms of their size, appearance and compatibility with machines. In light of the latest industry trends and issues, we held the show to introduce customers to information, sales methods and goods collected from all over Japan by the sales staff of FP Corporation.

In addition, we hold mini trade fairs in areas outside Kanto, proposing solutions based on the issues that customers face in an environment that is closer to their sales floors. Aiming to be a company that is the first its customers call, FP Corporation cooperates closely with its customers. We want to be the first company that customers consult and not a company that merely offers its products to customers.

We always address the real issues that are faced on sales floors and present specific solutions which enables us to continue to provide great value to customers. We will continue to support the front lines of food distribution by proposing more practical solutions in response to the changes in the industry.

Average number of visitors to FPCO Fair

Approx. **15,000** visitors in three days

Relevant components of the SCM system

Marketing Sales

■ FPCO Fair 2025



Developing lightweight products to reduce the amount of plastic used

Aiming to reduce society's environmental impact, effectively use resources and solve customer's issues, FP Corporation endeavors to reduce the use of plastics.

In 2023, we began to replace the previous solid HIPS containers made from a thin, hard material, with the new low-foamed PS containers. In designing these new products, we succeeded in sufficiently maintaining the strength of the older products while reducing the plastic used by approx. 60%. Most notably, using this material for large sushi containers and other products helps reduce environmental impact and also transportation cost. We will continue to expand the series of low-foamed containers.

We are also developing lightweight transparent prepared food containers. We reduced the weight of snap-lock hinged lid containers (transparent containers) approx. 20%, making it the lightest FP Corporation product ever. We reduced the weight of AP Delio approx. 13.1%. These products are used for cold prepared foods and salads that do not need to be heated. We also achieved an approx. 7.5% reduction of the weight of MSD Delio, which is used for foods which need to be heated, such as hot prepared foods and packed bento lunches. We completed the replacement of all general-purpose prepared food containers by the spring of 2025.

High-level forming technology which makes it possible to sufficiently maintain strength while reducing the thickness of the material is necessary to reduce the weight of transparent containers. In particular, in the design process, we repeatedly revised the rib structure of the containers and did multiple test production runs so that we could minimize thickness without the sound and texture of the products giving the consumer the impression that the products were fragile or cheap. A team of about 20 experts engaged in these development efforts, paying attention to details such as design that considers the points where force is applied, making 0.1-millimeter adjustments of dimensions, and leak testing using liquids. This resulted in successful completion of containers that are both lightweight and reliable.

FP Corporation will leverage the evolution of technology to reduce the weight of the plastics used and the other technologies it has accumulated over many years to help establish a sustainable society and create greater value for the market.

Weight reduction rate of snap-lock hinged lid containers (transparent containers)

Lightest ever in the history of FP Corporation!

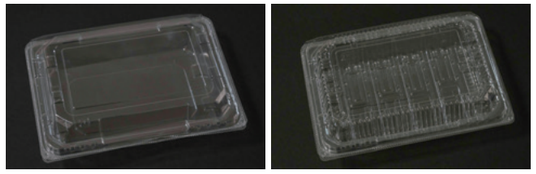
Approx. **20** % SAT Series

Relevant components of the SCM system

Product Development Manufacturing

■ Snap-lock hinged lid container that is lightest ever in the history of FP Corporation

When reducing the weight of containers by using a thinner sheet (left), we created ribbed designs to maintain strength (right). We succeeded in reducing weight while maintaining the strength of products that have a wide variety of uses.

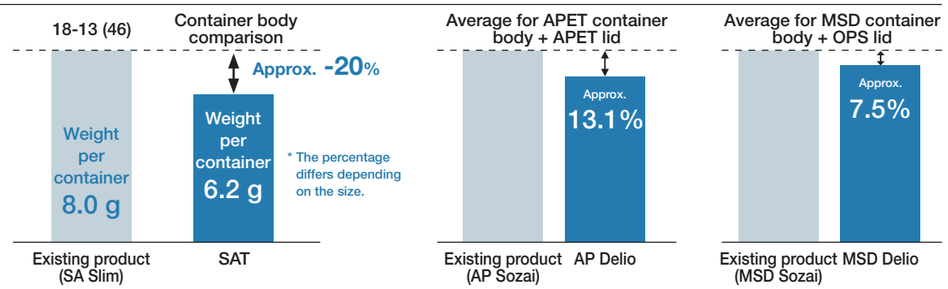


While reducing weight by using a thin sheet, we succeeded in maintaining the strength of the container so that it would be compatible with automatic lid closers and also achieved a close fit to increase leak resistance.



AP Delio MSD Delio

Plastic usage comparison



Products from FP Corporation embodying the various types of value created through many years of development efforts and our hands-on approach



37% reduction of CO_2 emissions Eco Tray®

Made through FPCO Method Tray-to-Tray recycling, this tray reduces CO_2 emissions by 37%. Because it is made from foamed PS, this container contains layers of air, which gives it its superior heat insulation and heat retention properties.



Eco APET®, a reduced-weight eco-friendly product

We succeeded in reducing the weight of the new Delio series of products approx. 13.1% by making the body of the container thinner than conventional products. We have also devised a creative measure for the ribs (dents) on the lid so that the container will not deform, even though it is thin.



Eco OPET®, a transparent material featuring high oil resistance and cold resistance

Eco OPET is an eco-friendly product featuring high oil resistance and cold resistance. Also used for the lids of packed lunches, it makes the formation of holes unlikely even when it is microwaved. Containers made from this material are breakproof and can withstand the impact of being dropped even in a frozen state. The material is therefore used for containers for frozen food vending machines.



Transparent PP can be microwaved despite being transparent

Thanks to its superior heat and oil resistance, this container remains resistant to deformities even when microwaved. In addition, the polypropylene does not become brittle and is not damaged when it comes into contact with MCT oils or similar substances.



Molding technology that enables both a good appearance and functionality

The frame makes the food unlikely to slip out of place. In addition, the angle of the lid's lateral side is made upright to the greatest extent possible, which makes the content easily viewable and enhances its presence.



Fitting technology of the lids that improves the efficiency of packing work.

Our technology ensures that the lid is firmly fixed to the container. It works, for example, even where the container has a lid snapped inside, which is likely to make the food stuck between the lid and the container, because we have improved this point by devising a creative measure for the shape of the container. This has enhanced the efficiency of packing tasks.



Compatibility with machines that helps eliminate labor shortage at work sites

While use of machines for packing food has become common at process centers and central kitchens, our food trays and containers are also compatible with machines. The same container can either be sealed on top or use a lid.

Original materials: 8 materials

68% in terms of shipping quantity

Relevant components of the SCM system

Marketing Product Development

Number of design rights received

(9th in Japan in 2024)

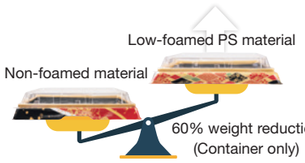
Source: Japan Patent Office

FY ended March 2025

156

Relevant components of the SCM system

Marketing Product Development





Low-foamed PS featuring a 60% reduction in weight

We have developed Japan's first technology for molding low-foamed PS sheets jointly with Sekisui Kasei Co., Ltd. This has enabled a sharp shape that was impossible with conventional foamed PS sheets and achieved a reduction in weight.

Cold-resistant PPiP-talc®, which features plastic usage reduced by more than 25%

We have newly developed cold-resistant PPiP-talc, which features the use of 25% less plastic compared to conventional cold-resistant PP products while maintaining the same level of strength and resistance to impact as conventional products. It is used in response to the expansion of the frozen food market.



MFP, a product that does not get hot even after it is heated in a microwave

With heat resistance to temperatures up to 110°C, Multi FP (MFP) features both heat insulation and retention. The container does not get hot even after it is heated in a microwave. Because it is a foamed material, it also features reduced plastic usage.



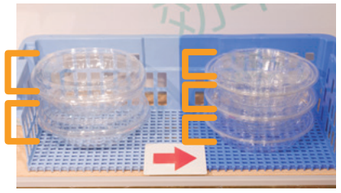
MSD, which adds color to the dining table with a sharp shape

Featuring excellent glossiness and formability, Multi SD (MSD) adds color to both the sales floor and the dining table with its massive presence, sharp shape, and shiny appearance. Featuring low stack heights, the containers do not take up a lot of space behind selling spaces.



A color, pattern, and design that make the food stand out

We have improved the ink for gravure printing on food trays and containers and developed a new gold color. The new color features high brightness, which improves the appearance and makes food look even more vivid.



Improving the efficiency of loading in the plastic crate compatibility with transportation

Transportation costs have been rising with the use of process centers. In response, we are developing containers that are highly compatible with transportation, such as by changing the container size and by developing low lids, so as to improve the efficiency of loading in the plastic crate.



The shape of the lid tab designed to make it easier to open the lid

We use lids with a triangle tab at one corner. The structure is such that the tab is slightly raised when the lid is closed and secured on the container, making it easy to pinch the tab and open the lid. We have acquired a patent for this unique structure.

SPECIAL CONTENTS

Special Feature

Sources of Value Creation

— Guided by the essence of the FPCO Group
and aiming to be a good company —



FPCO Kanshasai (Thank You Festival) held at FPCO Arena Fukuyama on September 7, 2024. More than 1,000 Group employees and their family members were invited to the event which had a friendly atmosphere.



Photo from a video shoot before the start of the FPCO Kanshasai (Thank You Festival). The video was created to enter the 2025 Nikkei Company Song Contest. We achieved brilliant results in the contest, winning the grand prize and the jury prize.

Origin of the Essence of the FPCO Group

What has FP Corporation valued since its founding to create value that is needed by society? Executive Vice President and Director Masanobu Takahashi has been with the company for more than 40 years. He talked about the essence of the FPCO Group.



"The essence of the FPCO Group was developed by overcoming many challenges."

Profile

Masanobu Takahashi,
Executive Vice President and Director, Executive General Manager of Sales Division

He started working for the sales division when he joined the company in 1982. He became a director in 2005 and was assigned to be the representative director of subsidiary FPCO International Package Co., Ltd. in 2014. He returned to FP Corporation in 2018 as a Senior Vice President and the Director and Executive General Manager of Sales Division I, before assuming his current position in 2019.

Cohesion is the first word that comes to mind when I hear the words, "the essence of the FPCO Group." FP Corporation's top management present clear, powerful statements and visions to employees in line with its mission, including its hands-on approach and the customer-first concept. This enables employees to act in cooperation with each other, proactively communicating without hesitation. I believe that this kind of workplace environment enables people to be closer to each other naturally and creates a sense of unity in the company as a whole.

FP Corporation has launched and developed numerous new businesses ahead of other companies in the industry, including the manufacturing and sale of colored trays, the expansion of its in-house logistics system, and the recycling of used products. We can say that strong cohesion is an element of our corporate culture that has been developed through our history of taking on challenges and succeeding.

A good example is the story of the initial phase of the recycling business. In those days, we had to ask supermarkets to do a lot of work. We asked them to do the tasks of receiving used food trays by units of ten at service counters and delivering them to FP Corporation in bulk. Because we were forcing supermarkets, our customers, to bear this burden, our employees had to work hard to get the project on track. We overcame the difficulties by working together beyond the boundaries between departments, and now we are recycling products more efficiently and effectively by collecting used products via collection boxes placed at about 11,000 locations across Japan.

FP Corporation's corporate culture evolves with the times. One example is the cross-hierarchy discussion meetings that were started this fiscal year. They are opportunities for management and other employees to exchange opinions in a relaxed atmosphere. Through them, we have created opportunities to listen to each other's opinions beyond the differences between people's positions in our operations every day, and also in severe situations where we are taking on big challenges. This has increased the transparency of the company and created an open atmosphere that facilitates the building of relationships between employees.

In contrast, we also have an initiative that has been continuing for many years. Fukuyama, the place where FP Corporation was founded, is a famous rose-growing area. Partly reflecting this, FP Corporation gives roses to employees' spouses as birthday gifts every year. Employee-friendly annual events like this may be unusual for companies the size of FP Corporation.

I believe that the source of the essence of the FPCO Group, which has remained unchanged, lies in the care and consideration for others that arise spontaneously in workplaces. My answer to the question, "What is a good company?" is "It is a company which is better today than it was yesterday and will be better tomorrow than it is today." We should continue to grow every day. It may be gradual growth. This is what we aim to be like at FP Corporation— a company that takes on challenges every day and achieves success by working as one. I believe that as long as we adhere to this way of working, we can continue to pass down this good company to the next generation.

Roundtable

Essence of the FPCO Group Preserved through the One-on-One Leader System

FP Corporation has introduced the One-on-One Leader System company-wide to develop new employees. New employees pair with senior employees as their coaches for one year, thus learning not only about FP Corporation's way of working but also important things that working members of society should know. We asked three employees working hard in sales departments to pass down knowledge and skills or to learn them, to talk about the appeal of FP Corporation's unique workplace environment.



Round-table participants



Tsukasa Shimada, Manager, Sales Section 3, Tokyo Sales Department 2



Yasunori Morimoto, Sales Section 2, Tokyo Sales Department 4



Asuka Miyawaki, Sales Section 2, Wide-area Sales Department

Leader

Leader

Meticulous attention to and guidance for junior employees, which leads to an understanding of the customer-first concept

Miyawaki: Generally speaking, you don't know what to ask whom immediately after joining the company. However, I remember very well that I felt secure thanks to the One-on-One Leader System. Mr. Morimoto, who is my coach, taught me how to do business negotiations from the basics when I accompanied him during sales activities. After negotiations, he helped me clarify unclear points in the car. That was a great help.

Morimoto: I consciously worked to communicate with Ms. Miyawaki in ways that worked with her own communication style so that my advice would be easy to understand. Thinking about creative ways to communicate is valuable, and it helped us in our communication every day.

Miyawaki: Thank you very much for the thought (laughter). I was happy that I was praised for responding promptly to customer's requests, But I was also reprimanded when I wasn't able to do things well. How were things when you were a new employee, Mr. Morimoto?

Morimoto: Mr. Shimada talked with me proactively, which enabled me to start working smoothly at an early stage.

Shimada: Because Mr. Morimoto is much younger than I am, I tried to talk to him by including private topics at times to shorten the psychological distance between us.

Morimoto: Mr. Shimada responded to customers empathically, which enabled us to receive orders for many projects. However, there was a lot of work to do, and I initially found it difficult to understand all of the methods for doing it. When I worked on site later, these careful actions resulted in achievements. This made me feel that actions like these are essential for building relationships. I deeply understood the importance of making customers happy, that is, the customer-first concept. That experience is still at the core of my work. I would like to pass down this thinking to my subordinates, not only through words but also actions.

A workplace with friendly relationships between employees which result in work being done carefully

Miyawaki: This is my second year at the company, so I still do not understand everything about it. However, I feel that the company is trying to make our work environment better. For example, the sales department introduced flexible working hours in FY2024. This has enabled us to use time in a way that is tailored to the customers.

Morimoto: This is why we can work smoothly and the relationships between employees are very good. When I am bothered by something, people senior to me notice and talk to me. When I guidance that may be a bit strict, the people senior to me support me later.

> "I hope we can preserve a workplace environment where the psychological distance between people is naturally shorter."

Shimada: I also appreciate that people who are senior to me talked with me casually when I was distressed immediately after joining the company. Because of this, I talk to people subordinate to me when they appear to be in trouble, without worrying about them thinking that I am annoying. However, I do usually try not to meddle.

Morimoto: Thanks to you, I am developing without suffering in terms of relationships. Marriages between employees are also a unique part of the corporate culture of FP Corporation, yes? Romance at work tends to be shunned.

Shimada: At FP Corporation, employees are friendly to each other. I think this facilitates marriages between employees.

The essence of the FPCO Group and the essence of a good company are developed by working as one

Shimada: What else come to mind when you hear the words, "the essence of the FPCO Group?"

Miyawaki: Earning money using your feet. By this, I mean the hands-on approach that we have to seeing customers and increasing our understanding of their issues.

Morimoto: I also think the essence of the FPCO Group is in our strong relationships with customers on sales floors. The foundation of trust that the people senior to us have been building is very assuring.

Shimada: I agree with you two. The fact that the hands-on approach and customer-first concept, which are company policies, are shared across the entire Group reflects the essence of the FPCO Group. This is why all team members can persevere unwaveringly toward goals. I think this is a good point of FP Corporation as a company. We at FP Corporation began to talk about a good company several years ago. What opinions do you two have on this?

Miyawaki: I think that a good company is one where the opinions of onsite workers are reflected. FP Corporation began holding cross-hierarchy discussion meetings where onsite workers and management exchange frank opinions last year. An opinion that was given in one of these meetings immediately resulted in the revision of a system. The meetings are not merely for show. Changes in the work environment are being made to steadily reflect the things that are talked about, which is motivating.

Morimoto: Every person may have a different definition of a good company. As a salesperson, I think it is a company whose business performance continues to improve, and so does the business performance of its customers. This is why I feel responsible for numerical results in my work every day.

Shimada: My opinion is the same as Mr. Morimoto's. I think continuing to improve the company's business performance is important for making it a good company for everyone. I feel that the importance of achieving this is the essence of the FPCO Group, in which employees work passionately and unite to work toward goals.

Open Conversation About Inclusion

Working Together Beyond Disabilities

Employees with disabilities, who are in charge of sorting used food trays and containers, a core task in the FP Corporation's recycling process, talked with their co-workers about the unique way of working at the FPCO Group.



"The intention to aim for the same targets working together beyond disabilities is our driving force."

The FPCO Group is creating an environment where employees with disabilities can work with a sense of security, aiming for inclusion in the workplace. We value not supporting employees with disabilities but working together with them. Through these operations every day working together beyond disabilities, we have been building a culture of mutual respect and support.

Every person can expand their potential and work with confidence. People can take on challenges, help each other, and achieve personal development together through their work. This kind of workplace environment is the very essence of the FPCO Group. The positive atmosphere, which enables us to share in the feeling of achievement that our colleagues experience, is a driving force for making the company a good company.



Companions working together

1 Natsumi Shikakubo, Service Manager, Ibaraki Plant, FPCO Ai Pack Co.
2 Yoshio Hori, General Manager, Ibaraki Plant, FPCO Ai Pack Co.
3 Takanori Sako, Leader, Ibaraki Sorting Plant, FPCO Ducks Co.
4 Shinichi Nishida, Assistant to Chief, Ibaraki Sorting Plant, FPCO Ducks Co.
5 Kotaro Nakamura, Plant Manager, Ibaraki Sorting Plant, FPCO Ducks Co.
6 Arisa Himonotani, Ibaraki Sorting Plant, FPCO Ducks Co.
7 Kaori Tanaka, Ibaraki Plant, FPCO Ai Pack Co.
8 Kana Suzuki, Leader, Ibaraki Sorting Plant, FPCO Ducks Co.

<Improvement of a workplace environment>

Sako
We share information about the status of the achievement of business targets using graphs, encouraging the review and improvement of processes. This has enabled people to feel they are achieving things, and it has improved our awareness of work. In addition, cooperation between employees with disabilities has improved their consideration of others and teamwork.

Suzuki
The employees with disabilities are more motivated to work because their roles are clarified and the range of what they can do is expanding. For example, I felt the employees with disabilities were developing a sense of responsibility when I asked them to order our boxed lunches because they were aware of the importance of confirming details.

Tanaka
I try to improve my work by learning the importance of compassion and mutual aid through cooperation as a part of a team.

Sako
Because their physical condition or situation may affect work, we have developed a system for supporting people by sharing information with the staff around them.

"Our awareness of working together has automatically created an atmosphere of mutual aid."

<Job satisfaction and personal development>

Nishida
I initially had a hard time learning to work. Now, however, I teach the people junior to me to work, and I cooperate with my colleagues, which gives me job satisfaction.

Himonotani
Working created a rhythm in my life and made me confident about myself.

Sako
By accumulating experience doing things that I initially needed support to do, I began to take the initiative in my work by devising creative measures on my own. Now we learn many things from employees with disabilities.

Tanaka
Working enables me to understand the importance of money. I have begun to buy gifts for my family with my salary, and I am able to tell them that I feel grateful for them every day.

Suzuki
Our motivation increases when the company trip approaches. We are encouraged when we look forward to something!

Nishida
I bought a new video game with my pay. The expansion of my hobby motivates me to work.

<Future outlook>

Himonotani
I would like to try new tasks in addition to my current work. My goal is to improve my skills, have my colleagues in the workplace consider me to be reliable, and further, be able to contribute to the team.

Suzuki
The work achievements of employees with disabilities should be indicated more clearly by visualizing quantified results and performance. We would like to disseminate this information not only internally but to society as a whole.

Nishida
I would like to develop so that I will be entrusted with more responsible jobs. I would like to eventually have a position in which I can give guidance to people junior to me.

Sako
We would like to expand the environment where people with disabilities can work with a sense of security and create a workplace where anyone can participate actively. We would like to increase opportunities for more people to work in their own ways while eliminating anxiety about working by strengthening cooperation with special schools and guardians.



Internal event report

Grand Prize Won in the 2025 Company Song Contest!

FP Corporation entered the Nikkei Company Song Contest for the first time in five years and won the grand prize, which is the top honor. The theme the 24 members of the company song project came up with is “Our thoughts will reach them.” The company song, which was sung at all of our sites, reflects the thoughts of each individual employee, the company’s philosophy, and its future vision. More than 2,300 Group employees and their family members participated in the company song video shoot. Their singing voices and emotions resonated and intertwined with each other, resulting in our company song being selected as the winner of the Nikkei Company Song Grand Prize and the Yugari Masazumi Prize, which is the jury prize, from among a total of 117 contest entries.

What is Nikkei Company Song Contest?

It is a contest hosted by Nikkei Inc. for determining the no. 1 company song video.

Purpose of the contest: Energizing the internal and external communication of companies and organizations
Definition of a company song: A song that reflects the thoughts of the people involved in economic activities of any kind, such as an unofficial song of a company, a fight song of a department or a branch, a brand image song of a shopping street or a corporate group, or a theme song of a school or a local municipality, in addition to the official company songs of companies

Criteria of the examination:
1. Whether the viewer can feel the employees’ (group members’) love of the song
2. Whether the song conveys the messages of the company (organization)
3. Whether the music is inspirational
4. Whether the song energizes the economic activities of not only companies but all sorts of organizations



Grand prize-winning video

Video shoot for entering the company song contest at each Group company where cohesion has been developed

Learning the song and the choreography to shoot the video was probably something that almost all of the employees had never experienced before. However, the confusion gradually changed into fun. In each area of Japan, project members felt that the people’s singing voices were integrated into a dazzling voice of pleasure.







エフピコグループ社歌
エフピコ発 ～わたしたちの願い～

福山発未来へ　夢と伝統を乗せて
静かに確かに歩むんだ　思いやりと優しさを持ち
エフピコ発世界へ　Tray に愛を乗せて
この世にない花を咲かそう　みんなの心は一つ

この美しい星に生まれ　生きる喜び分かち合いたい
明日への架け橋になろう
エフピコ　エフピコ　わたしたちの願い

広島発平和へ　歴史と涙をのせて
みんな助け合い生きるんだ　勇気ある先人のように
エフピコ発自分へ　人生に想い込めて
苦しい時にも耐え忍び　情熱をこの胸に

この美しい星に生まれ　生きる喜び分かち合いたい
明日への架け橋になろう
エフピコ　エフピコ　わたしたちの願い

明日への架け橋になろう
エフピコ　エフピコ　わたしたちの願い







Joyousness at the 2025 final and statements from the project members

When each one of us works toward a goal, the greater our engagement in the activity is, the greater the sensation and sense of happiness becomes when we achieve something. Each one of these successful experiences creates cohesion within the FPCO Group. The 2025 Nikkei Company Song Contest was another successful experience that led to the development of employees.



In the final, the project members gave a presentation on stage.

In the company song project, employees took the initiative to tour around Japan and felt the unity of the Group and the personal development of employees. I am really happy that we made the attempt.



The moment of announcement of the grand prize winner, when our hardships and efforts over the previous one year and four months paid off, was filled with smiles and tears of delight.

For the video shoot, not only employees from the headquarters but also employees from the sales offices came to the venue. The event was so exciting that participants were smiling from beginning to end.

At all of the workplaces, everyone enjoyed the chorus video shoot, which was more exciting than I imagined.

In the moment when the grand prize winner was announced, I was shaking with excitement. I feel proud from my heart that I was a member of the team that communicated the thoughts of the FPCO Group.

Employees were watching the live stream at each department and sales office. A cheer went up in the moment when the grand prize winner was announced. I feel that the initiative created a sense of unity in the company.

The company song project made me feel once again that there are colleagues working hard with us in the same Group although their places of work and job categories are different from ours.



Mr. Sato, the Group Representative, left all the project activities to the employees, which added greatly to his joy.

It enabled me to feel again that taking on challenges is wonderful!

Path to the 2025 Company Song Contest Grand Prize

Behind-the-scenes footage

November 2023

The project to enter the company song contest was started by 24 employees of FPCO Group companies who were selected to be project members. They met regularly.

May 2024

At a regular project meeting, the project members decided to shoot a video by visiting Group companies around Japan and have more than 1,000 employees and their family members sing the company song together.

July-September 2024

Video shoots were carried out at the Group's sites.





September 7, 2024

A big chorus that included approx. 1,300 Group employees and their family members was established, and a FPCO Kanshasai (Thank You Festival) was held at FPCO Arena Fukuyama in Fukuyama City, and video of the event was taken.

January 14, 2025

Through voting on videos and an evaluation, FP Corporation was selected as one of the 12 finalist companies and organizations.



February 27, 2025

We gave a presentation at the final and won the grand prize, which is the top honor!



Statement from a member of the contest's jury

Congratulations on receiving the grand prize. We also selected you as the winner of Yugari Masazumi Prize, which is the jury prize.

The FPCO Group's song, which was selected as the top-prize winner from among the total of 117 companies and organizations that entered the contest, has a stateliness that makes it worthy of the grand prize. In addition, the lyrics, which I, as an author, value in my scoring, clearly indicate the intentions of your company, which is proactive in recycling, to address sustainability-related issues while valuing cooperation with local communities. The lyrics state your mission marvelously.

In addition, you waited five years for your next opportunity, since you were disappointed with the results of the first contest in 2019. More than 2,300 Group employees and their family members gathered and 1,000 people performed as a big chorus in the long-awaited video that you created. The jury was impressed.

I appreciate the hard work of the company song project members. Your thoughts have definitely been communicated to us. The song will continue to be sung and passed down as a model for other companies and organizations that respect company songs. On behalf of the jury, I want to congratulate you and express my sincere gratitude.



Masazumi Yugari
Author and Journalist



Sustainability

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The FPCO-style sustainability that is driven through business development

At FP Corporation, we aim to build the sustainable society of the future through the development of our business.
We aim to achieve both sound corporate growth and the creation of a better future by addressing social issues through initiatives such as strengthening recycling efforts, developing environmentally friendly containers, fostering inclusive workplaces where diverse talent can thrive, and supporting environmental organizations.



Environmental Initiatives

At FP Corporation, we contribute to creating a sustainable future by taking initiatives to encourage recycling, reduce CO_2 emissions, and build a resource-recycling society.

Environmental Policy

Basic Principle

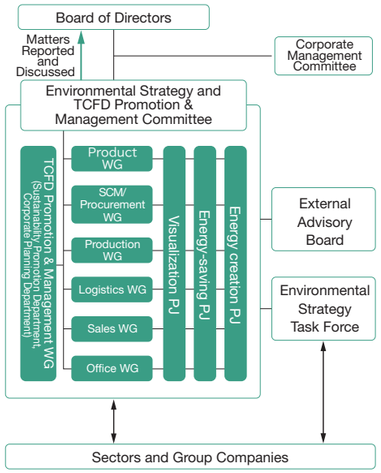
Based on the recognition that preserving and protecting the global environment is an issue of the highest priority, FP Corporation operates our business according to the basic principle of contributing to the realization of a sustainable society in harmony with the environment.

1. From the stance of reducing CO_2 emissions and making effective use of natural resources, we strive to thoroughly reduce the resources used in our business activities, products and services while actively promoting the expansion of the FPCO Method Recycling, which involves the recycling of used food containers disposed of from regular households into new food containers.
2. We observe the legal and other requirements placed upon FP Corporation, endeavor to understand the needs and expectations of our stakeholders, establish voluntary standards in our operations and prevent pollution.
3. We establish environmental goals that take the environmental impact of our business activities, products and services into account, build an environmental management system to formulate and promote management plans, evaluate our success through internal audits and reviews by senior management, and undertake continual improvement.
4. We promote the reduction of the amount of water resources used through the efficient use of water.
5. We prevent environmental pollution due to chemical substances and waste, and environmental risks that lead to health hazards.
6. We pursue initiatives that take biodiversity into account and strive to conserve the environment.
7. We make these guidelines broadly known to employees and all stakeholders and cultivate human resources who will act on their own initiative in tackling environmental issues.
8. We undertake initiatives based on dialogue with stakeholders and actively make appropriate information disclosures.

Information Disclosures Based on the TCFD Recommendations and System for Promoting Relevant Initiatives

The FPCO Group expressed its support for the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) in March 2022. We set targets for addressing climate change and other environmental issues, began to advance measures through the following process, and built a system for supervision by the Board of Directors.

1. The Environmental Strategy and TCFD Promotion & Management Committee, which spans every sector of the organization, discusses Groupwide environmental strategies and TCFD promotion, and drafts related policies and strategies. In the operation of the Environmental Strategy and TCFD Promotion & Management Committee, the Sustainability Promotion Department, a dedicated environmental organization under the jurisdiction of the President, acts as the administrative office.
2. Under the Groupwide environmental strategy, working groups (WGs) in each of the product, SCM system, procurement, production, logistics, sales and office divisions set their own targets and implement efforts aimed at solving social issues such as climate-related challenges.
3. Once a quarter, each WG reports on the progress of their efforts to the Environmental Strategy and TCFD Promotion & Management Committee.
4. Environmental Strategy and TCFD Promotion & Management Committee reports on the progress of policies, strategies and initiatives to the Board of Directors each year.
5. The Board of Directors conducts monitoring in light of various perspectives and knowledge in response to reports from the Environmental Strategy and TCFD Promotion & Management Committee.



Details are available here

Metrics and Targets

To address the global issue of climate change caused by global warming, the FPCO Group aims to [reduce (Scope 1 and 2*) CO_2 emissions by 31% by the fiscal year ending March, 31, 2031] and [achieve net zero (Scope 1 and 2) CO_2 emissions by FY2050].

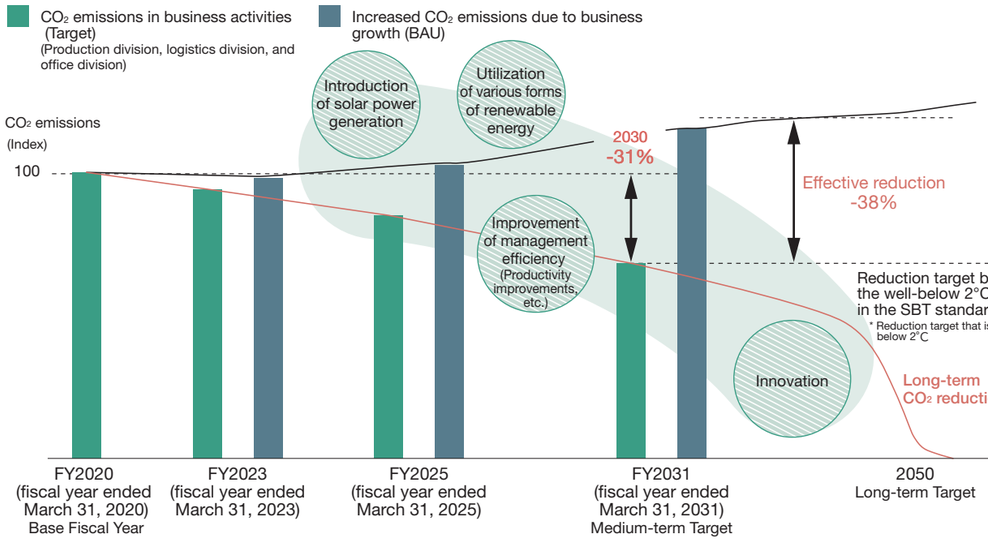
FPCO Group Medium and Long-term Environmental Targets

I By the fiscal year ending March 31, 2031, we will reduce annual CO_2 emissions from all business activities (Scope 1 + 2) by 31% compared to the fiscal year ended March 31, 2020.

II We will increase the reduction of CO_2 emissions from the use of Eco Products (Eco Trays, Eco APET, and Eco OPET) to 272,000 tons by the fiscal year ending March 31, 2031. (Up 170% compared to the fiscal year ended March 31, 2020)

III We aim to achieve net zero CO_2 (Scope 1 + 2) emissions from all business activities by FY2050.

Greenhouse Gas (Scope 1 and 2) Reduction Roadmap



* Scope 1 emissions are direct greenhouse gas emissions by the business operator itself. Scope 2 emissions are indirect emissions from the use of electricity, heat, and steam, which are supplied by other companies.

Selected for the A List by CDP in the area of climate change for the second consecutive year

Internationally recognized as a leader in climate actions

CDP is an international non-profit organization that evaluates and scores initiatives taken by companies to reduce greenhouse gas emissions and protect water and forest resources. It gives scores (A to D-) to companies by applying a detailed, independent method. The number of companies that disclose data via the CDP exceeded 24,800 in 2024. FP Corporation was included in the Climate Change A List, the top rating, for two consecutive years in 2024 in recognition of its advanced initiatives to tackle climate change and its highly transparent information disclosure, among others. We will continue to promote various initiatives to address climate change and strive to build a sustainable, recycling-oriented society.

Climate CDP A List 2024

FP Corporation Eco Action 2.0

Details are available here

Each WG under the promotion system shown in page 49 has made preparations to formulate initiatives aimed at achieving the medium- and long-term environmental targets of the FPCO Group.

Product WG



1.5% ↓

Fiscal Year Ending March 31, 2031: Reduce weight per produce by 1.5% compared with FY2021 levels.

SCM/Procurement WG



30% ↑

Increasing the ratio of recycled material to procured polystyrene material by 30% to increase the ratio of eco-friendly products to PS products to 80% (by the fiscal year ending March 31, 2036).

Production WG



85% ↓

Reduce CO_2 emissions per product unit in production activities by 85% compared with the fiscal year ended March 31, 2008.

Logistics WG



Compared with FY ended March 31, 2020

FY ending March 31, 2031	FY ending March 31, 2036
20% ↓	24% ↓

Reduce CO_2 emissions per case (kg-CO_2/case) in logistics activities.

Sales WG



60% ↑

Raise Eco Trays products as a percentage of all general purpose PSP containers to 60%



100% ↑

Raise Eco APET products as a percentage of all APET products to 100%

Office WG

ECO	15% ↓	Reduce CO_2 emissions of sales vehicles by 15%
	7% ↓	Reduce electricity usage per unit floor area by 7%
	10% ↓	Reduce waste generation per person by 10%
	5% ↓	Reduce paper usage by 5%
	60% ↑	Increase the green purchase rate by 60%

External Evaluations Related to the Environment

Eco First commitment updated

Under the Eco First program, companies make commitments to the Minister of the Environment to carry out voluntary, advanced initiatives to protect the environment, as well as to disclose and implement the contents of the initiatives. Companies certified as Eco First companies by the Ministry of the Environment are required to pursue high environmental goals on an ongoing basis as the leader in each industry.

The FPCO Group made its Eco First commitment to the Minister of the Environment in 2011 and has since been working as one in implementing advanced environmental initiatives. In June 2024, we updated this commitment and expressed anew our intention to pursue further action for the environment. We aim to build a sustainable society by realizing a recycling-oriented society with our business activities based on the FPCO method Tray-to-Tray and Bottle-to-Transparent Container™ recycling.

Eco-First Commitment

1. To achieve carbon neutrality by 2050, we will take steps to reduce GHG emissions in our overall business activities. We will do this by for instance, introducing renewable energy and promoting energy conservation.
2. We will be proactive in advancing initiatives to achieve a recycling-oriented society through the reduction and recycling of containers and packaging.
3. We will be proactive in fulfilling our roles regarding the provision of opportunities for learning about the environment to our stakeholders, among others.

We report on the progress of these initiatives to the Ministry of the Environment. We also disclose it via the FPCO Report and our official website. We will thus continue striving to ensure transparency and make ongoing improvements.

Details are available here

Contribution to biodiversity — Participation in the 30by30 Alliance

At FP Corporation, we support the 30by30 target, an international initiative aimed at conserving biodiversity in 30% of national land and sea areas by 2030, and participate in the 30by30 Alliance driven by the Ministry of the Environment. This alliance is aimed at certifying and expanding areas which have been protected under the initiative of the private sector and other parties, in addition to existing conservation areas, as other effective area-based conservation measures (OECM).

In response to this initiative, FP Corporation supports the protection, development, and research of rivers, seas, satoyama (woodlands near villages), and forests in Japan and environmental education via the FP Corp. Environment Fund, thus contributing to protecting biodiversity.

Details are available here

Excellence Prize granted in Eco Mark Award 2024

Eco Mark Award is an award program for recognizing companies, organizations, and individuals that have contributed to promoting the use of eco-friendly products and building a sustainable society through the Eco Mark.

At FP Corporation, Eco Tray received the Eco Mark certification in 1991. We were granted the gold prize at the Eco Mark Award 2010 and the Excellence Prize at Eco Mark Award 2024. To encourage Store-to-Store recycling, in which food containers used and sold at a store are collected, recycled, and used again at the same store, we announce collaborations with supermarkets and propose promotional activities on sales floors. We were granted the prize in recognition of the fact that recycling above-ground resources was strengthened further with local stores serving as strongholds.



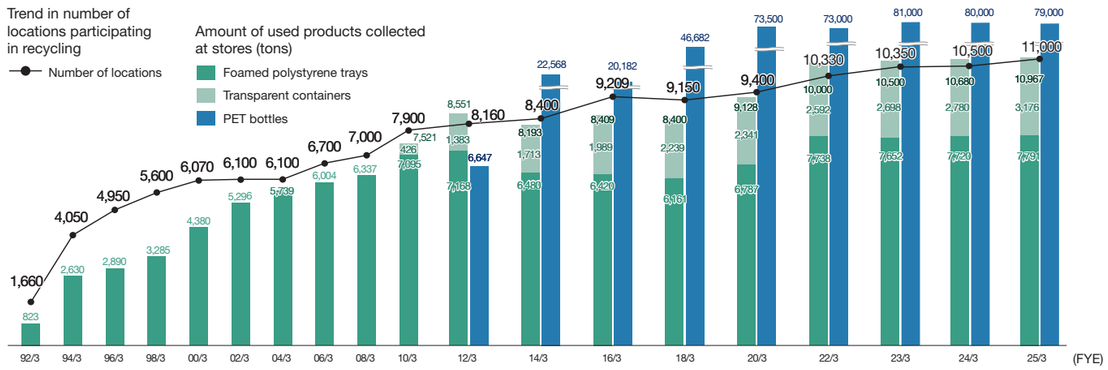
FPCO Method Recycling

In 1990, FP Corporation started FPCO Method Recycling, which is based on collaboration between four parties— consumers, supermarkets, packaging wholesalers, and FP Corporation. We have since been expanding this initiative as occasion arises.

The number of points for collecting used food trays, which were initially set up at six stores in 1990, has increased to approx. 11,000 at present. Since initiating the recycling of transparent containers in 2008 and starting the recycling of used PET bottles into transparent containers in 2011, we have continued to broaden the scope of our closed-loop recycling efforts. We will continue to take measures to evolve and deepen the FPCO Method Recycling, such as the Store-to-Store recycling.



The number of collection points and the volume of collected trays, etc.



Achievements of the FPCO Method Recycling

Using post-consumer containers as above-ground resources, instead of using petroleum (underground resources) for producing virgin materials, is highly effective for reducing CO_2. The FPCO Method Recycling has also produced social effects, including a decrease in waste disposal cost.

	Foamed trays		Transparent containers		PET bottles	
	Amount collected	Number of containers	Amount collected	Number of containers	Amount collected	Number of bottles
Fiscal year ended March 31, 2025 (FY2025)	7,791 t	1,947.75 million	3,176 t	317.6 million	79,000 t	3,160 million
Cumulative (1990 to March 2025)	190,329 t	47,582,250,000	32,569 t	3,256.9 million	698,789 t	27,317.32 million

* Calculated on the assumption that a foam tray weighs 4 g, a transparent container 10 g, and a PET bottle 25 g (after the revision in 2016 from 30 g).

CO_2 reduction in the fiscal year ended March 31, 2025 (FY2025): Approx. 209,000 tons

Acceptance of plant tours

We accept tours at the recycling plants and sorting plants. Our plants have been visited by people from local elementary schools, consumer groups, media organizations, local governments, and other entities from across Japan. The cumulative total number of visitors exceeded 500,000 in October 2023. Through our plant tours, we will continue to share information about our recycling initiatives and express our sincere gratitude for the cooperation we receive.

Application for Participation in Plant Tour

Details are available here

Plant tour schedule: Mondays to Fridays (excluding national holidays) from 9:00 a.m. to 4:30 p.m. (excluding parts of the facilities) Applications are also accepted on our website.
▶ For details, please refer to our website (https://www.fpco.jp/esg/environmenteffort/factory.html).

<Sorting plants and recycling plants in Japan>

1 Hokkaido Sorting Plant (Ishikari-shi, Hokkaido)

2 Yamagata Sorting Plant (Sagae-shi, Yamagata)

3 Kanto Recycling Plant
4 Kanto PET Recycling Plant
5 Ibaraki Sorting Plant
→ Kanto Recycle Center (Yuki-gun, Ibaraki)

6 Tokai Sorting Plant (Sunto-gun, Shizuoka)

7 Matsumoto Sorting Plant (Matsumoto-shi, Nagano)

8 Chubu Recycling Plant
9 Chubu PET Recycling Plant
10 Gifu Sorting Plant
→ Chubu Recycling Center (Anpachi-gun, Gifu)

11 Kanazawa Sorting Plant (Kanazawa-shi, Ishikawa)

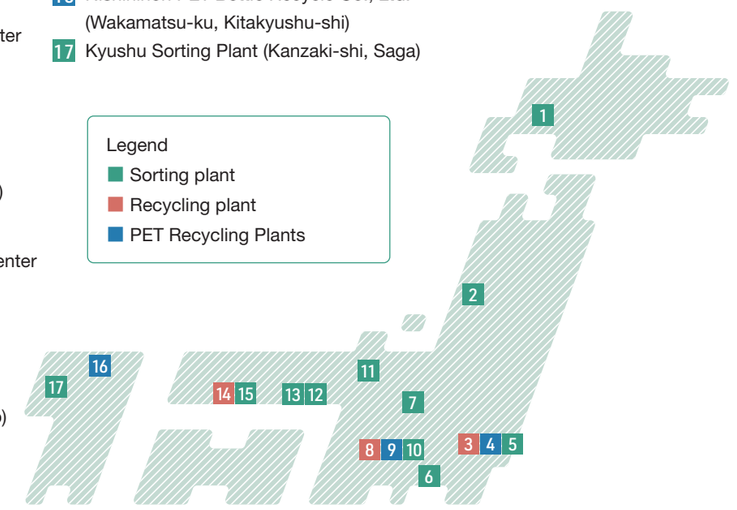
12 Nishinomiya Sorting Plant (Nishinomiya-shi, Hyogo)

13 Kansai Sorting Plant (Ono-shi, Hyogo)

14 Fukuyama Recycling Plant
15 Fukuyama Sorting Plant
→ Fukuyama Recycle Center (Fukuyama-shi, Hiroshima)

16 Nishinihon PET-Bottle Recycle Co., Ltd. (Wakamatsu-ku, Kitakyushu-shi)

17 Kyushu Sorting Plant (Kanzaki-shi, Saga)



Evolution of sorting systems

A new system introduced to sorting plants one by one

At FP Corporation, we are improving the efficiency of operations using sorting systems for used food containers. At Kansai Sorting Plant, we have introduced a system that indicates the materials of collected used transparent containers using different colors—green for PET, yellow for bi-axially oriented polystyrene (OPS), and red for polypropylene (PP)—permitting workers to sort out the containers easily at a glance. This has significantly increased the amount of sorted containers by a factor of three.



Kansai Sorting Plant (completed in November 2024)

The FP Corp. Environment Fund

Through the FP Corp. Environment Fund, which is in its sixth year, we extend financing to organizations acting to address environmental problems including climate change and the problem of marine plastic pollution from multiple angles. Moreover, FPCO Group employees also proactively participate in programs implemented by groups to which we extend financing, thus deepening their knowledge and experience.

エフピコ 環境基金





Being engaged with the frontline of environmental problems to expand the network with our stakeholders

Organizations receiving financial support through the FP Corp. Environment Fund operate in various environments as their field of activity. They include Koga Satoyama-wo Mamoru Kai, which acts in hills and fields, and Kanagawa Kainan Kyujo-tai, which takes actions in the sea.

Arakawa Clean Aid Forum, which is involved in learning about environmental issues by picking up trash on riverbanks, has more than 30 years of history. The local government, companies, and citizens participate in its activities to reduce trash and protect the environment.

Many employees of FP Corporation participate in the activities of these recipients, addressing environmental problems through onsite activities. These activities provide valuable opportunities to experience environmental issues firsthand, as reflected in the comments of participating employees, which included, “I was surprised by the large number of PET bottles,” “There was a much greater variety of waste than I had imagined,” and “I would like to take more interest in marine and forest cleanups in the future.”

The support we provide through the FP Corp. Environment Fund leads to our employees’ awareness reform, new actions, and the development of human networks.

Comments from employees who participated in the activities



Koji Takeshita,
Recycling Promotion Department

I participated in the activity because given my department I am interested in recyclable waste and recycling. I want many employees to participate in the activity because you can get a sense of achievement.



Kazuki Obama,
Human Resource Development Section, Personnel Department

I took part in the activity for the first time. I was surprised at the large amount of trash. Having seen the site in person, I felt the seriousness of the problem. I would like to remain interested in it.



Kosuke Mae,
IR Public Relations Section, Corporate Planning Department

We should be able to slash waste by properly segregating waste when disposing of it. I thought I should try to dispose of waste appropriately to protect rivers and nature.

Circle of environmental protection activities expanded by the FP Corp. Environment Fund

Higher environmental awareness and expansion of sustainable activities brought about by support from FP Corporation

The range of trash picking activities has been expanded thanks to support from the FP Corp. Environment Fund. Financial support is not all we received. Activities with FP Corporation serve as a catalyst for many people to take an interest in environmental problems. Having an awareness of the global environment in everyday life and at work is important for solving the garbage problem. However, cooperation with the government is also essential if we are to find a comprehensive solution to the problem. While serving as the mediator in this process, we need to develop a mechanism that will permit continuous participation while keeping the freshness of the event. For this purpose, we want to expand the circle of the activities by cooperating with more people while increasing its visibility and increasing the provision of information in cooperation with the network and initiatives of FP Corporation.



Ms. Kana Yamaji,
Arakawa Clean Aid Forum, a specified non-profit corporation

Groups as recipients of financing in the fifth round (FY2024) and their activities

We are creating a “circle for people” to think about environmental problems together and encourage each other to take actions.

Details are available here

Environmental Conservation Activities



Ibaraki Prefecture

Koga Satoyama-wo Mamoru Kai, a specified non-profit corporation

A project for protection and development of satoyama (woodlands near villages) areas and activities to allow children and other members of the public to experience satoyama


Tokyo

Arakawa Clean Aid Forum, a specified non-profit corporation

Support for accompanying the Zero Waste Co-Creation Network on the occasion of the Osaka-Kansai Expo


Kanagawa Prefecture

Shonan Cleanaid Forum, an NPO corporation

Project to promote beach cleaning activities of picking up, sorting, and studying trash



Kanagawa Prefecture

Kanagawa Kainan Kyujo-tai, a specified non-profit corporation

“Urgent: Collect plastics during marine patrols before they turn into microplastics,” an activity to reduce marine waste


Ishikawa Prefecture

Kahokugata Kosho Kenkyujo, a specified non-profit corporation

Trash-picking tour around the Kahokugata catchment area


Hiroshima Prefecture

Setonaikai Ujishima Club

Annual activities to clean up Ujishima Island


Saitama Prefecture

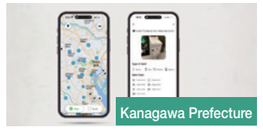
Joylife Sayama, a specified non-profit corporation

A nature experience for communicating the importance of improving the condition of, and cleaning up, areas near water and protecting the environment


Kumamoto Prefecture

Jisedai-no Tame-ni Ganbaro-kai

Simultaneous activities related to the Shiranui Sea and interregional exchange programs for junior and senior high school students


Kanagawa Prefecture

Gomi-Map, a non-profit organization

Gomi-Map, a mobile app that displays the nearest recycling spots

Environmental Education and Research


Miyagi Prefecture

Miyagi Environmental Life Outreach Network (MELON), a public interest incorporated foundation

Support for learning SDGs and environmental learning in Miyagi — Fostering children and students who intend to take actions to solve issues —


Saga Prefecture

Tosu Shimin Katsudo Network, a specified non-profit corporation

A project to promote forestry education for the next generation and consumers for protecting the rich green environment


Akita Prefecture

Kusakidani-wo Mamoru Kai, a specified non-profit corporation

Rikinosuke Mirai Juku, Tekisan-shirabe (research for optimal production) by children


Kyoto

Rondat, a general incorporated association

Thinking about environmental problems in satoyama (woodlands near villages) with children


Gunma Prefecture

Chausu, a specified non-profit corporation

Activities to preserve and protect the environment of the Watarase River


Hyogo Prefecture

Tanada LOVERS, a specified non-profit corporation

Fostering a mindset among children of valuing the natural environment through experience-based environmental education provided in collaboration with Osaka University of Health and Sport Sciences


Iwate prefecture

KIRIKIRI-KOKU, a specified non-profit corporation

Environmental education for developing human resources who live with the forest of Kirikiri

Activities Related to Solutions to Food-related Issues and Food Assistance



Miyagi Prefecture

Food Bank Ishinomaki, a general incorporated association

A project to develop a food bank and strongholds to reduce food loss

Social Initiatives

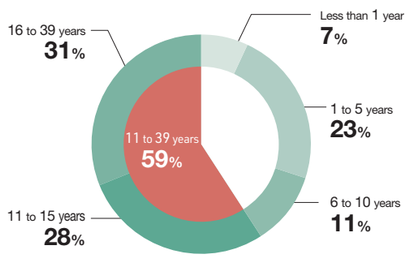
At FP Corporation, we are taking initiatives to coexist in harmony with society and achieve sustainable development, including environmental education, recycling activities, support for local communities, and promotion of employment of people with disabilities.

Promoting Inclusion

Active participation of human resources with disabilities

FP Corporation began the full-scale employment of people with disabilities in 1986. We have since been expanding the variety and scale of our operations. At present, approx. 400 workers with disabilities are employed on the frontlines, mainly at FPCO Ducks Co. and FPCO Ai Pack Co. The workers at these companies are in charge of operations that require a lot of concentration and meticulousness, including small-lot manufacturing of products with high added value and manual sorting in the process of recycling used food trays and containers. At these work sites, workers with disabilities fully demonstrate their capabilities, supporting the manufacturing of the FPCO Group.

Breakdown by duration of service (As of March 2025)



Number of employees with disabilities		401 people
Details	Physical disabilities	36 (including 14 with severe disabilities)
	Intellectual disabilities	352 people (including 262 with severe disabilities (*1))
	Mental disabilities	13 people
Adjusted number of employees with disabilities(*2)		676 people
Employment rate of people with disabilities		12.6%

(*1) Including disabilities classified as severe under employment rules
(*2) Each person with a severe disability is counted as 2 and each part-time worker with disabilities as 0.5.

FPCO Ducks Co. (Special subsidiary)

Container thermoforming and sorting of collected containers

This company is recognized by the Minister of Health, Labour and Welfare as a special subsidiary of FP Corporation. It serves as a place for people with disabilities to work with those without disabilities by helping each other. The company brings out the potential of each one worker and leverages their capabilities for its business.

FPCO Ducks Co. (Type A Support for Continuous Employment)

Container assembly and sorting of collected containers

The company was established by FP Corporation, which has been working on social welfare and environmental problems, for the purpose of expanding employment opportunities for people with disabilities. FPCO Ai Pack Co. is Japan's first profit-making corporation to be recognized as a place of business that provides Type A Support for Continuous Employment.

Helping business partners with the employment of human resources with disabilities

At FP Corporation, we engage in activities to support our business partners in their employment of people with disabilities, by capitalizing on our knowledge on the employment of such human resources that we have cultivated over 39 years. FP Corporation's support has led to the new employment of 770 people with disabilities at 55 business establishments (as of March 2025). Those workers are playing essential roles in their respective workplaces.

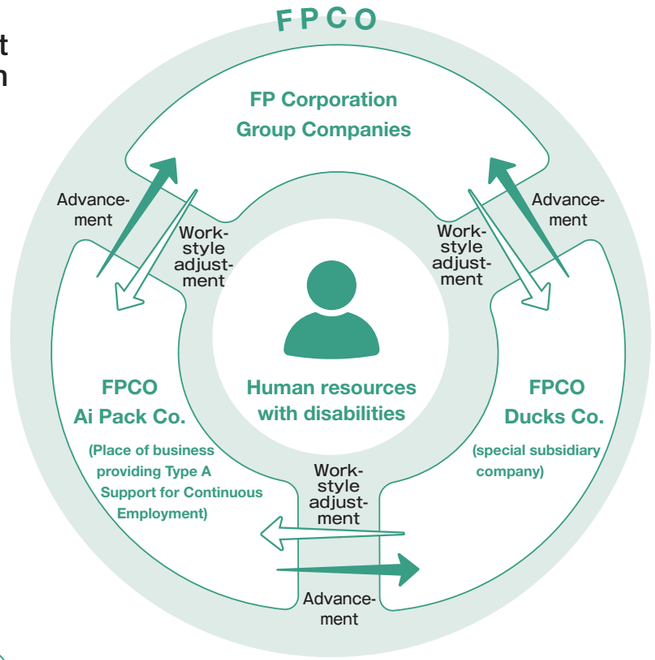
Driving inclusion through floor hockey

Since 2010, the FPCO Group has been driving activities on floor hockey, a universal sport, thus deepening exchanges beyond the presence/absence of disabilities. We also serve as the main sponsor of the All-Japan National Floor Hockey Tournament and Universal Floor Hockey West Japan Regional Tournament. Our employees support the operations of the events as volunteers, thus expanding the circle of inclusion.



Promoting the Development of the Careers of People with Disabilities

The FPCO Group is creating an environment for career development of human resources with disabilities, so that they can continue working in the ways that suit them. We provide diverse career development opportunities, including advancement from FPCO Ducks Co. and FPCO Ai Pack Co. to regular employment at other FPCO Group companies. By enabling each employee to work in a way that suits their individual circumstances, we aim to be a corporate group where everyone can develop their career and continue to thrive.



Examples of career development



FPCO Ducks Co. → An FPCO Group company (Manufacturing division)

Yohei Kurata

2010: Joined Fukuyama Sorting Plant of FPCO Ducks Co.
2023: Transferred temporarily to Fukuyama Recycling Plant of FPCO Fukuyama Co.
2025: Transferred to Fukuyama Recycling Plant of FPCO Fukuyama Co.

The attempt I made at career advancement while being supported

"I was uneasy about the career advancement partly because of expected changes in my life environment. However, I could make the decision, supported by the words, "You can come back if it is hard." Now I buy gifts for my nephew and niece and enjoy going on trips with them while earning money. Meanwhile, I continue to take on challenges, aiming to move to the next step."





Tasks for recycling used PET bottles (putting them into the compactor and bundling them)



FPCO Ai Pack Co. → An FPCO Group company (Manufacturing division)

Yoshitaka Tanahashi

2011: Joined Gifu Plant of FPCO Ai Pack Co.
2023: Transferred to PW Plant of FPCO Chubu Co.

Taking a step forward beyond anxiety, encouraged daily by trust

"I was anxious about the change in work hours and others, but I decided to be transferred with a desire to take on the challenge. At present, I carefully inspect containers, encouraged by the fact that I am trusted as a reliable person. On holidays, I refresh myself by cycling. At work, I make daily efforts to ensure stable work without dropping products."





Manufacture of traditional Japanese-style container, Oribako series (assembly and inspection)

Improvement of Employee Engagement

The FPCO Group supports international norms including the Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. In accordance with the following policy, we will achieve a safe and pleasant workplace environment where human rights and individuals are respected.

Details are available here

FPCO Group Human Rights Policy

1. Under the basic principle according to which everyone should respect the personality and human rights of one another and have the right to impartial treatment and equal opportunities without discrimination on the basis of age, nationality, race, faith, religion, gender, sexual orientation, gender identity, disabilities, social status, internal position or other aspects, we respect human rights and personality in all our business activities in accordance with the FP Corporation Group's Action Charter and the FP Corporation Normative Rules for Compliance, behave as a good corporate citizen with high moral values and social conscience, maintain sound and normal relationships with all stakeholders and continuously increase our corporate value as a corporate group that earns trust from society.
2. We prohibit harassment and don't tolerate verbal or behavioral harassment. We establish a system for the prevention of harassment and take appropriate action against harassment that occurs, in order to deter harassment and thereby ensure efficient business operations and a stress-free working environment.
3. We comply with laws, ordinances and other labor standards and prohibit child labor and forced labor in any location where business activities are conducted.
4. We will create a workplace environment that enables employees to work safely and energetically with peace of mind while maintaining good physical and mental health. At the same time, we will encourage them to balance work with their personal lives.
5. We observe labor laws and ordinances and pay employees the minimum wage or higher.
6. We regard workers' collective rights, collective bargaining rights and other rights as elements of basic human rights that we should respect as a company, and we don't interfere with workers' exercise of their rights.
7. We will comply with the laws and regulations in each country or region where we engage in business activities. If laws or regulations of the country or region should conflict with international human rights standards, we will pursue ways of respecting the international standards within the scope of the laws and ordinances of the country or region.

Initiatives based on the Human Rights Policy

Prohibit child labor and forced labor

We will comply with the laws and ordinances of each country or region in our recruitment activities. When employing a worker, we will make sure to verify their age to prevent child labor. In addition, to prevent forced labor, we will not withhold employees' passports or other important legal documents or restrict their freedom of movement.

Equal pay for equal work

At the FPCO Group, we ensure wages are paid at or above the statutory minimum rates and apply a unified compensation structure for employees with the same qualifications at the same job level.

Provision of harassment prevention training

Harassment prevention training is provided to all employees of the FPCO Group every year. This training is related to knowledge of laws, actual cases reported to the FPCO Group Workplace Consultation Desk, and communication skills. Moreover, additional lectures on how to coach subordinates and give feedback to them are given to managers and employees with subordinates. For some of them, creative measures are devised for training content, such as introducing group work to the training. The training has been received by a total of 5,198 employees, or 2,151 employees in managerial positions and ones who have subordinates and 3,047 rank-and-file employees. (As of March 2025)

Creating a workplace environment that gives job satisfaction

At the FPCO Group, we are developing a workplace environment by placing emphasis on creating an environment which permits employees to demonstrate their capabilities and work with job satisfaction.

Major Initiatives

Systems and measures	Details
Leave of five consecutive days (Smile Leave)	This program was introduced to enable employees to effectively use their work hours and be physically and mentally refreshed, among other purposes. (Five consecutive days of annual paid leave are taken, in principle.)
Annual paid leave in hourly increments	We have introduced this program, which permits employees to take leave in hourly increments with an upper limit of five days per year, so that they can take leave flexibly in circumstances, such as hospital visits, participation in children's school events, and the provision of nursing care.
Childcare leave taken by male employees	We have introduced a program under which male employees are obliged to take five consecutive days of leave before their children become one year old. We also encourage male employees to take statutory childcare leave.
Shorter working hours for childcare	We have enhanced this program so that employees are allowed to continue working shorter hours until the end of their children's sixth year of elementary school.
Staggered work hours	We have introduced staggered work hours with eight different options.
No-overtime days	We have introduced no-overtime days (two days a week, in principle) to enable employees to work efficiently while balancing work and their personal lives.
Teleworking	We have introduced this program to maintain and improve productivity by leveraging teleworking combined optimally with working in offices.
Financial support for recreational activities	We provide a certain amount of financial support for employee social events, such as company trips and year-end, new year's, welcome and farewell parties.

Awarded three stars in NIKKEI Smart Work

NIKKEI Smart Work ★★★ 2025

Three stars awarded in the Nikkei Sustainable Comprehensive Survey: Smart Work Management Edition!

FP Corporation was awarded three stars in the Nikkei Sustainable Comprehensive Survey: Smart Work Management Edition. We were recognized as an advanced company aiming to create innovations by utilizing human resources and accelerating investment in human resources, improving productivity, and maximizing corporate value. We will continue aiming to enhance the corporate value of the entire Group based on our understanding that our greatest asset is human resources.



FPCO Kanshasai (Thank You Festival) 2024, a thanksgiving event

Essence of the FPCO Group enjoyed by employees and their families

On September 7, 2024, we held FPCO *Kanshasai* (Thank You Festival) 2024, a Thanksgiving event for expressing our continuing gratitude for employees and their families, at FPCO Arena Fukuyama in Fukuyama City, Hiroshima. It was our first large-scale event, and employees' families were invited to join. The venue was bustling with a large number of participants, mainly from within Fukuyama City.

We prepared a wide variety of fun things to do at the venue, including games and quiz competitions for families and the provision of food from food stalls operated by our staff. They created an atmosphere of an autumn festival in the dusk. In addition, prior to the FPCO *Kanshasai* (Thank You Festival), video of a large chorus by employees and their families was taken for applying for the Company Song Contest 2025. The entire venue was filled with a sense of unity and the essence of the FPCO Group on the day.



Human Resource Management Policy

Details are available here

The greatest asset of the FPCO Group, which continues to work and take on challenges to achieve sustainable growth, is its human resources. We therefore strive to reinforce systems for human resource development to enable each one of our employees to fully demonstrate their talent and other individual qualities, throughout the process from recruitment and training to the utilization of their skills and to retirement. We will thus enable them to lead professional lives where they are fulfilled and satisfied in their jobs and continue to push forward with organizational revitalization, aiming to improve the value of the corporate group as a whole.

<Training System>

	OFF-JT		General education	Self-development				
				Information security training	Health seminars	Qualification-obtaining support system / Qualification acquisition incentive system	Support system for taking internal correspondence courses	Support system for attending outside schools	English conversation training
Employees in senior positions	Evaluator training		Harassment Prevention Training for managers						
Managers	Training for newly appointed managers								
Mid-level employees	Leader training	Overseas training	Harassment Prevention Training for personnel other than managers						
Junior employees	Skills development training	One-on-one leadership training							
	Next Stage Training								
New employees	New employee training	Follow-up training							

Extension of retirement age with multiple options with an upper limit of 65 years of age, permitting employees to choose diverse workstyles

While there are needs for diverse workstyles, employees are allowed to select the age at which they will retire, between 60 and 65 years of age. Even employees who have chosen to retire before reaching 65 can continue working as re-hired employees (with the annual renewal of their contract) until they reach the age of 65. This applies to all employees who desire to do so. Employees are also re-hired after reaching the age of 65 with an upper limit of 70 (with the annual renewal of their contract) if both the employees and the company desire to continue their relationship.

Promoting Female Empowerment





FPCO Chubu Co.
Hikari Kaizu
She joined the company and was assigned to Chubu Eco PET Plant in 2018. She manages APET manufacturing line as an operator.

Active participation of female operators, who support manufacturing sites

At the production plants of FP Corporation, frontline work is supported by checkers, who are in charge of inspection and packaging, and operators, who manage production lines. In recent years, the active participation of female operators has been expanding from Chubu Plant and Chubu Eco PET Plant, reflecting the introduction of automation equipment.

Operators wear caps in different colors— yellow, green, blue, and red— according to their skill level. Ms. Hikari Kaizu, who joined the company in 2018, became a green-cap operator three years ago and was put in charge of machine operation and product management. Looking back on the days when she became an operator, she said “Although I wanted to take on various challenges, the tasks I could do initially were limited, and I was impatient to learn more. Having accumulated experience, however, I became capable of dealing with machine issues, which made me quite confident.” Now committed to coaching younger workers, she feels that “The number of female operators has increased, and we have in place an environment that permits the active participation of both men and women.”

FP Corporation aims to create a workplace that is found rewarding by more people, envisioning active participation of female operators as next-generation leaders.



Supporting each other and helping each other improve, female operators from FP Corporation create the future of the workplace.

Community Engagement

At FP Corporation, we aim to co-exist in harmony with people from areas where our business sites are located, as a member of each community. In FY2024, we held environmental events with supermarkets and other stakeholders. We also participated in exhibitions, gave classes by visiting organizations and educational institutions, and took other initiatives.

Major events in which we participated in FY2024

May	• Gomi Zero (530) Sakusen (Osaka Prefecture) • Clean Beach PJ (Shizuoka Prefecture) • Beach seining by Shonan Cleanaid Forum (Kanagawa Prefecture) • Agricultural activities of Rondat (Kyoto Prefecture) • Collection of trash floating in Tokyo Bay by Kanagawa Kainan Kyujo-tai (Kanagawa Prefecture) • Koga Satoyama-wo Mamoru Kai (Ibaraki Prefecture) • Environmental events hosted by users (Tokyo and Yamanashi Prefecture) • Tanada LOVERS (Hyogo Prefecture)
Jun.	• Clean Beach PJ (Shizuoka Prefecture) • Hachioji Festival (Tokyo) • An environmental event held in Naka City (Ibaraki Prefecture) • Tsuyama City Eco Festa x Marui (Okayama Prefecture) • An environmental event held in Fukuyama City (Hiroshima Prefecture) • Shonan Cleanaid Forum (Kanagawa prefecture) • Collection of trash floating in Tokyo Bay by Kanagawa Kainan Kyujo-tai (Kanagawa Prefecture) • Classes given by visiting elementary schools in collaboration with users (Aomori Prefecture and Iwate Prefecture) • Environmental events hosted by users (Tokyo, Shizuoka Prefecture, Fukuoka Prefecture, Saitama Prefecture, and Ibaraki Prefecture) • Koga Satoyama-wo Mamoru Kai (Ibaraki Prefecture)
Jul.	• Eco-Technology Exhibition 2024 (Fukuoka Prefecture) • Setagaya 2R environmental event (at Tokyo University of Agriculture, Tokyo) • Classes given by visiting elementary schools in collaboration with users (Akita Prefecture and Iwate Prefecture) • Environmental events hosted by users (Tokyo, Shizuoka Prefecture, Fukuoka Prefecture, Saitama Prefecture, Kanagawa Prefecture, and Wakayama Prefecture) • Joy Life Sayama (Saitama Prefecture)
Aug.	• Online plant tours • A class given by visiting an elementary school in collaboration with a user (Ehime Prefecture) • Environmental events hosted by users (Tokyo, Shizuoka Prefecture, Kanagawa Prefecture, Mie Prefecture, Hiroshima Prefecture, Yamanashi Prefecture, and Gifu Prefecture) • Osaka ATC environmental event (Osaka Prefecture) • Monozukuri Jitsuen Taiken Fair 2024 (Hiroshima Prefecture) • Manabi-no Fes Summer 2024 (Tokyo)
Sept.	• Classes given by visiting elementary schools in collaboration with users (Shizuoka Prefecture and Aichi Prefecture) • An environmental event hosted by a user (Nagano Prefecture)
Oct.	• Yamagata Environment Exhibition (Yamagata Prefecture) • Wanouchi Kankyo Ten (environment exhibition) (Gifu Prefecture) • Sakishima Kodomo EXPO 2024 at ATC (Osaka Prefecture) • Tobuki Clean Festa (Tokyo) • Fukuyama Recycle Festa (Hiroshima Prefecture) • A class given by visiting a school by Miyagi Environmental Life Outreach Network (MELON) (Miyagi Prefecture) • Beach Clean Ekiden by Shonan Cleanaid Forum (Kanagawa Prefecture) • Environmental events with users (Hiroshima Prefecture, Saitama Prefecture, Okinawa Prefecture, and Tokyo) • Classes given by visiting elementary schools in collaboration with users (Aichi Prefecture and Hiroshima Prefecture) • Aki Fes (autumn festival) hosted by Tanada LOVERS (Hyogo Prefecture)
Nov.	• Kodomo Shigoto Taiken FUN Festival 2024 (event for giving children hands-on experience of work) (Hiroshima Prefecture) • Jibasan Fair 2024 (Hiroshima Prefecture) • Shinjuku 3R Suishin environmental event • Shinjuku 3R class taught at Waseda University (Tokyo) • A class given by visiting a school by Miyagi Environmental Life Outreach Network (MELON) (Miyagi Prefecture) • Future Monozukuri International EXPO hosted by Japan Clean Ocean Material Alliance (CLOMA) (Osaka Prefecture) • Environmental events hosted by users (Tokyo and Aomori Prefecture) • A class given by visiting an elementary school in collaboration with a user (Aichi Prefecture)
Dec.	• Hyogo Youth Eco Forum (Hyogo Prefecture) • A class given by visiting an elementary school in collaboration with a user (Tokyo)
Jan.	• Environmental events hosted by users (Tokyo and Saga Prefecture) • A class given by visiting an elementary school in collaboration with a user (Aomori Prefecture)
Feb.	• Arakawa River Clean-aid Forum (Tokyo) • Environmental events hosted by users (Hiroshima Prefecture and Hokkaido) • A class given by visiting an elementary school in collaboration with a user (Aomori Prefecture)
Mar.	• An environmental event hosted by a user (Tokyo) • Kodomo Eco Club Zenkoku Festival 2025 (national eco festival for children) (Osaka Prefecture)

Activities to raise environmental awareness among various stakeholders



An endowed course given by National Supermarket Association of Japan as Special Course on Business Administration B at Takachiho University



A tour of Kansai Plant was given by inviting mayors of ten cities in Hyogo Prefecture.



We provide classes by visiting schools to have children think about environmental issues as something that is relevant to them.

Provision of information through lectures, classes given by visiting schools, and other initiatives

At FP Corporation, we are committed to raising awareness of the importance of recycling extensively towards building a sustainable society. We also seek to share information about our initiatives to address environmental problems. We engage in a broad range of activities for society, such as proactively accepting plant tours by people from the media, consumer groups, local governments, and others, and giving lectures at educational institutions. In addition, through classes we give by visiting schools, mainly targeting elementary school children, we provide opportunities to learn how food containers are recycled, thus giving them a catalyst to think about environmental issues as something that is relevant to them.

Health and Productivity Management

Health Declaration

Since its founding, the FPCO Group has positioned health as one of its guiding precepts. We are promoting activities to maintain and advance health and have developed healthy workplaces so that each and every employee can work vigorously with a sense of motivation and fulfillment.

Implementation of the Workplace Health Project

My Health Declaration Card

We distribute the Health Declaration Card to Group employees every year and have each one of them write their health activity targets for the year, thus encouraging them to maintain and improve their health.

Physical and mental health diagnosis

The percentage of employees who underwent periodical health examinations was 100% while the figure for the stress questionnaire was 96.3% (fiscal year ended March 31, 2025). We are working to increase the percentages among all employees, including those from business sites with fewer than 50 employees each.

Support and health guidance from industrial physicians

We appoint industrial physicians at all business sites, including those with less than 50 employees, and advance safety and health activities We also have public health nurses provide specific health guidance and follow up on the results of periodic medical examinations. We also collaborate with an outside organization to provide 24-hour health counseling year-round.

Health seminars

Health Seminars are held each year to promote the maintenance and advancement of employees' physical and mental health. In the fiscal year ended March 31, 2025, the seminars were held four times in total under the themes of sleep, stroke, men's and women's health, and exercise done simultaneously with something else, among others.

Lifestyle modification initiatives

We conduct a lifestyle survey each year to encourage lifestyle modification. In addition, we have introduced a smoking cessation week and the Pico-Vege Week (during which employees are encouraged to eat vegetables) and planned a session for measuring physical fitness, among others. Thus, we are encouraging employee self-care. In the fiscal year ended March 31, 2025, we held the Inter-FPCO-Group-Company Walking Rally two times, with an aim to encourage employees to form an exercise habit and communicate with each other. A total of 2,799 employees participated in this event.

Framework for Supporting Employees' Return to Work

We have created a manual on the content and framework for supporting and facilitating employees returning to work. Thus, we are ready to help employees taking long-term leaves of absence and returning to work.

Delivery of Health Information

We have created a dedicated Workplace Health Project site on our intranet, where we provide information about project programs. In addition, we use various opportunities to proactively provide health information to improve the health literacy of employees. These include the monthly Newsletter from Health Nurses, and an e-mail magazine from the Workplace Health Project.

A series of public health nurse videos for providing health support for employees

In FY2024, FP Corporation began to deliver Pico Kenko room, a series of videos featuring advice from public health nurses, for the purpose of maintaining and improving employees' health. In these videos, our internal public health nurses provide knowledge on health and explains mental health measures to be taken in workplaces, including self-care for coping with stress and maintaining good mental health and line-care for managers, thus helping employees raise awareness of health management.





Pico Kenko room is created under the supervision of public health nurses. The first video is themed on mental health self-care.

Certified KENKO Investment for Health Outstanding Organizations Recognition Program 2025

2025 健康経営優良法人 KENKO Investment for Health 大規模法人部門

Selected under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program (large enterprise category) for four successive years

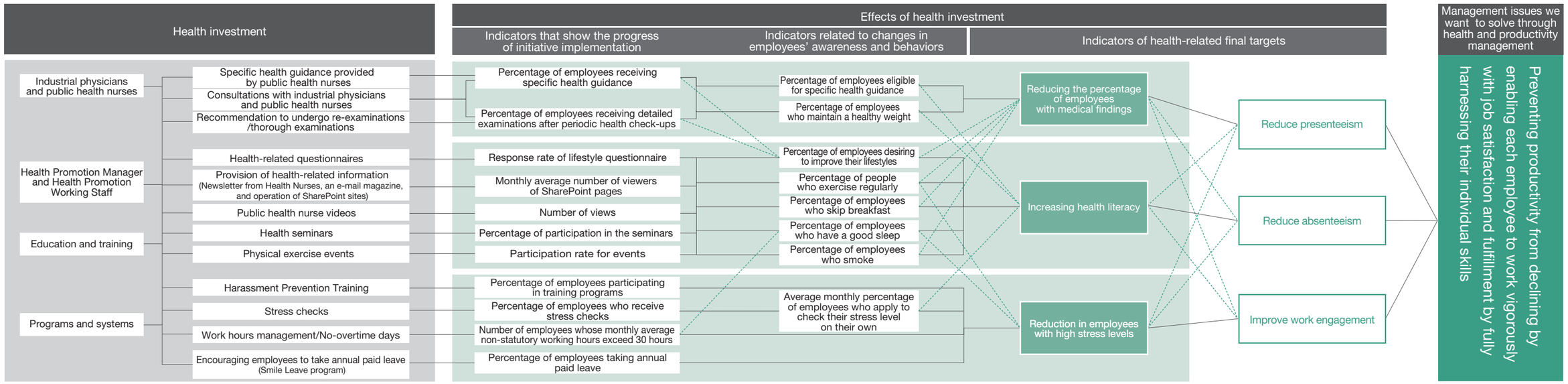
FP Corporation was recognized for four consecutive years in the Certified KENKO Investment for Health Outstanding Organizations Recognition Program (large enterprise category) as a company which considers and strategically implements the health management of employees and others from a management perspective. We were granted the certification in recognition of various initiatives, such as a session for measuring physical fitness including a sense of balance and body flexibility.



A session for measuring physical fitness

FPCO Group Health and Productivity Management Strategy Map

At the FPCO Group, we have created and operate a Health and Productivity Management Strategy Map, so as to visualize the story of the health and productivity management strategy and implement the PDCA cycle effectively. We are pursuing a number of initiatives to achieve our target values, which we have set for each item.



Governance Initiatives

At FP Corporation, we make decisions under a highly transparent governance structure. We also strive to improve our internal structure, with the aim of achieving sustainable growth and improving corporate value over the long term.

Basic Approach

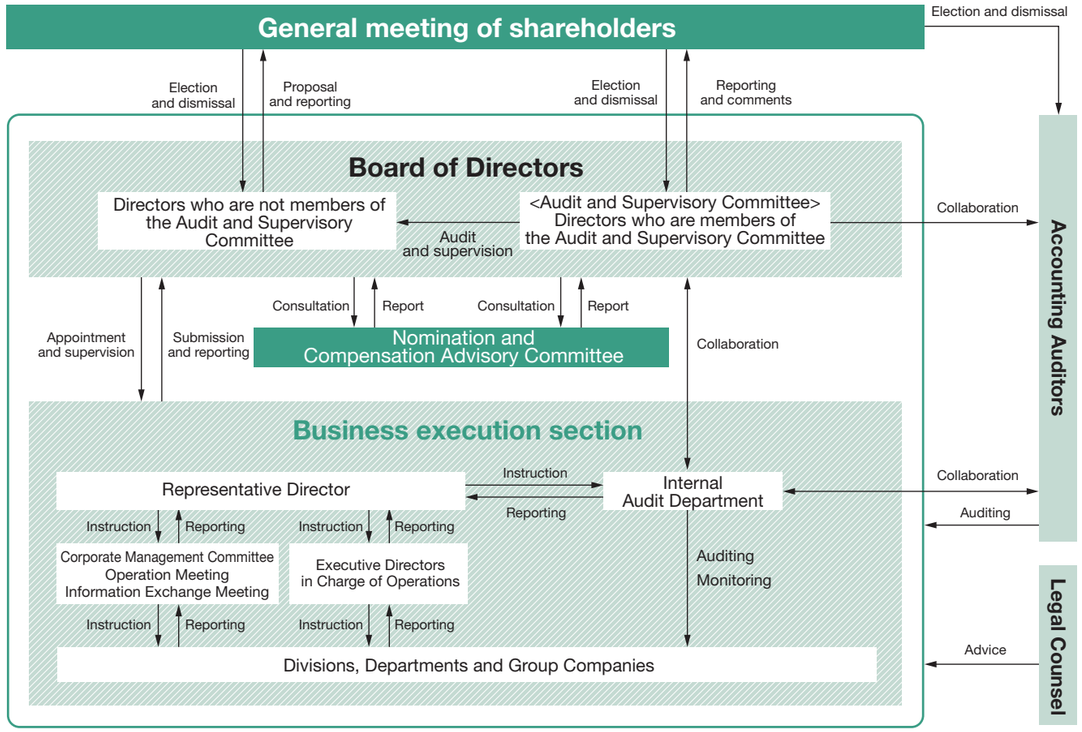
FP Corporation's basic stance on corporate governance is to ensure the transparency and fairness of decision-making, to make effective use of the management resources it possesses, such as personnel, goods, money and information. We also aim for continuous growth and a long-term increase in corporate value through swift and bold decision-making. To achieve these aims, we have put forward the five basic policies on the right side.

1. Ensure shareholders' rights and equality among them
2. Work together appropriately with stakeholders other than shareholders
3. Properly disclose information to ensure transparency
4. Fulfill the roles of the Board of Directors and other organs
5. Hold dialogue with shareholders

Governance Structure

We have opted to become a company with an Audit and Supervisory Committee for the purpose of improving the speed of management decision-making and strengthening functions to audit and oversee directors in their business execution. The Audit and Supervisory Committee, which is made up of independent outside directors only, fulfills the role of supervising management and works to ensure the highly transparent management of FP Corporation.

Schematic Diagram of FP Corporation's Corporate Governance System, including an Outline of the Internal Control System



Compliance

To establish corporate ethics and promote legal compliance, FP Corporation has established a Judicial Affairs & Compliance Department that reports directly to the president. We have established the FPCO Group Action Charter, FPCO Normative Rules for Compliance, and the Compass for Action; and are working to foster a sound and healthy corporate culture and to ensure compliance with internal regulations.

Further, to strengthen the compliance of the Group as a whole, we conduct an internal audit once every two years, thus monitoring the states of risk management and legal compliance. We have a system in place for making improvements as necessary. At meetings of the Board of Directors, the number of whistleblowing reports is presented along with the content of the reports, and the effectiveness of the Action Charter and the Normative Rules is examined every six months.

Details are available here

Risk Management

At the FPCO Group, we are striving to strengthen risk management in pursuit of the three core elements of our mission, that is, to reliably deliver the most environmentally friendly products of the highest quality, at the most competitive prices, whenever they are needed.

The Board of Directors has established Risk Management Rules and is appropriately managing the risks of the overall Group. Business risks related to production, sales, and logistics are discussed at operation meetings in which directors, executive officers and general managers participate. Regarding risk management, including the management of Group companies' risks, we hold information exchange meetings in which directors, executive officers, and representatives of Group companies share information about actions that have been taken. Specific examples of our risk management measures are as follows.

Conducting Risk Surveys

At the FPCO Group, we conduct risk surveys of each production facility and logistics facility with the aim of deterring damage from natural disasters and preventing industrial accidents. External specialists visit our business sites to identify, analyze, and assess risks and examine necessary measures and their effects. We thus strengthen our risk management system.

Preparing for natural disasters

We have deployed emergency equipment, installed emergency power generation equipment which will reliably continue to generate power for 72 hours, provide firefighting training, and installed emergency hardline telephones. We have also introduced a safety confirmation system and conduct training by using the system periodically, thus reinforcing our system for prompt response.

Response to product safety risks

We have our facilities certified under FSSC 22000 and take measures to ensure thorough compliance with the Food Sanitation Act and various standards, giving top priority to ensuring product safety. We also comply with the Positive List (PL) System. Under our rigorous quality control system, we conduct testing based on our own criteria, prevent foreign matter inclusion, and enhance traceability.

Responding to information and security risks

We implement entrance and exit control at offices. In addition, at large complex facilities, we have installed security gates featuring entrance and exit control based on vehicle license plates. As part of our data management practices, we regularly backup data, utilize external data centers for emergency preparedness, implement redundant network lines, employ systems to prevent the misdelivery of email, and ensure PCs are properly disposed of.

Relationships with Shareholders

To facilitate sustainable growth and enhanced corporate value over the medium to long term, FP Corporation recognizes the importance of actively engaging its shareholders in constructive dialogue and reflecting the opinions and requests of shareholders in management. Apart from shareholder meetings and biannual briefings on financial results, we conduct individual meetings and facility tours and seek to build trust with shareholders and ensure the share price is appropriate by describing our medium-to-long-term management strategy and business activities in a more straightforward manner.

We also make every effort to disclose corporate information in a timely, appropriate, swift and fair manner. We make securities reports, brief announcements of consolidated financial results, financial briefing materials, press releases and other materials available in the shareholder and investor information section of our website, and take other initiatives in our efforts to ensure highly transparent information disclosures.

Details are available here

CORPORATE OVERVIEW

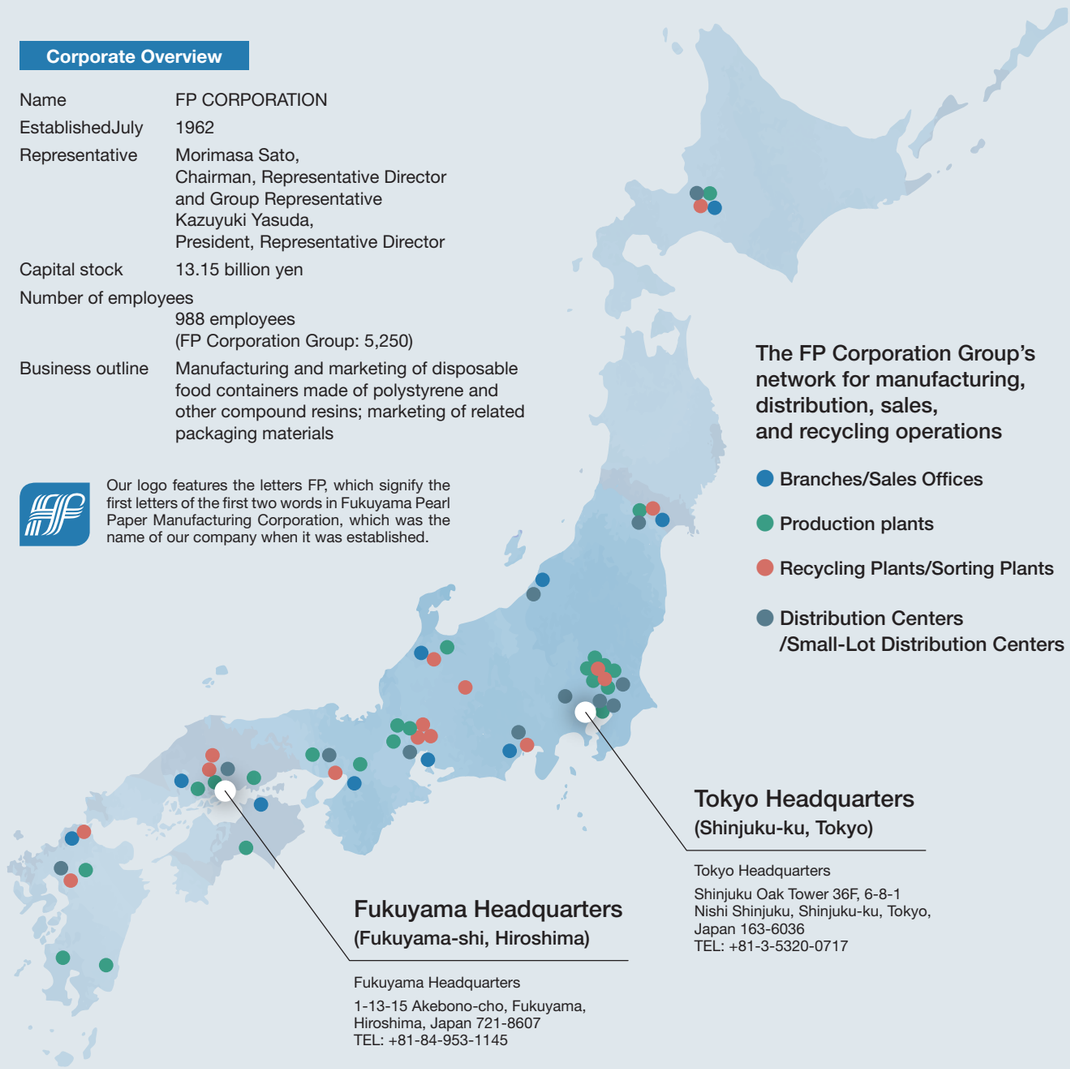
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Corporate Overview

Name	FP CORPORATION
EstablishedJuly	1962
Representative	Morimasa Sato, Chairman, Representative Director and Group Representative Kazuyuki Yasuda, President, Representative Director
Capital stock	13.15 billion yen
Number of employees	988 employees (FP Corporation Group: 5,250)
Business outline	Manufacturing and marketing of disposable food containers made of polystyrene and other compound resins; marketing of related packaging materials

Our logo features the letters FP, which signify the first letters of the first two words in Fukuyama Pearl Paper Manufacturing Corporation, which was the name of our company when it was established.



The FP Corporation Group's network for manufacturing, distribution, sales, and recycling operations

- Branches/Sales Offices
- Production plants
- Recycling Plants/Sorting Plants
- Distribution Centers /Small-Lot Distribution Centers

Tokyo Headquarters
(Shinjuku-ku, Tokyo)

Tokyo Headquarters
Shinjuku Oak Tower 36F, 6-8-1
Nishi Shinjuku, Shinjuku-ku, Tokyo,
Japan 163-6036
TEL: +81-3-5320-0717

Fukuyama Headquarters
(Fukuyama-shi, Hiroshima)

Fukuyama Headquarters
1-13-15 Akebono-cho, Fukuyama,
Hiroshima, Japan 721-8607
TEL: +81-84-953-1145

Group Companies and Business Locations

Group Companies

Manufacturing

FPCO Hokkaido Co.
FPCO Yamagata, Ltd.
FPCO Ibaraki Co.
FPCO Yachiyo Co.
FPCO Shimodate Co.
FPCO Chikusei Co.
FPCO Toyama Co.
FPCO Chubu Co.
FPCO Hyogo Co.
FPCO Kasaoka Co.
FPCO Fukuyama Co.
FPCO Kannabe, Ltd.
FPCO Kyushu Co.
FPCO Ducks Co.
FPCO Ai Pack Co.
FPCO ALRight Co. Ltd.
FPCO Gravure Co., Ltd.
Nishinihon PET-Bottle Recycle Co., Ltd.

Distribution

FP Logistics Corporation
I-Logic Co., Ltd.
FP East Logistics Corporation
FP West Logistics Corporation

Affiliates

FP Malaysia Sdn.Bhd.
Lee Soon Seng Plastic Industries Sdn. Bhd.

Trading & Sales, Others

FP Trading Co., Ltd.
FP CHUPA Corporation
FPCO Dia Foods Co., Ltd.
FPCO International Package Co., Ltd.
FPCO Ishida Co., Ltd.
FPCO Ueda Co.
APEX Corporation

Facilities of FP Corporation

Headquarters

Fukuyama Headquarters (Fukuyama-shi, Hiroshima)
Tokyo Headquarters (Shinjuku-ku, Tokyo)

Branches

Osaka Branch (Kita-ku, Osaka-shi)

Sales Offices

Sapporo Sales Office (Chuo-ku, Sapporo-shi)
Sendai Sales Office (Aoba-ku, Sendai-shi)
Niigata Sales Office (Chuo-ku, Niigata-shi)
Shizuoka Sales Office (Suruga-ku, Shizuoka-shi)
Nagoya Sales Office (Nakamura-ku, Nagoya-shi)
Hokuriku Sales Office (Kanazawa-shi, Ishikawa)
Hiroshima Sales Office (Nishi-ku, Hiroshima-shi)
Shikoku Sales Office (Takamatsu-shi, Kagawa)
Fukuoka Sales Office (Hakata-ku, Fukuoka-shi)

Research Institute

FPCO Comprehensive Research Institute (Fukuyama-shi, Hiroshima)

Production plants

Hokkaido Plant (Ishikari-shi, Hokkaido)
Yamagata Plant (Sagae-shi, Yamagata)
Kanto Yachiyo Plant (Yuki-gun, Ibaraki)
Kanto Plant (Yuki-gun, Ibaraki)
Kanto Eco PET Plant (Yuki-gun, Ibaraki)
Kanto Shimodate Plant (Chikusei-shi, Ibaraki)
Chikusei Plant (Chikusei-shi, Ibaraki)
Kanto Tsukuba Plant (Shimotsuma-shi, Ibaraki)
FPCO Ducks Co. Chiba Plant (Narashino-shi, Chiba)
Toyama Plant (Imizu-shi, Toyama)
Chubu Plant (Anpachi-gun, Gifu)
Chubu Eco PET Plant (Anpachi-gun, Gifu)
Kinki Kameoka Plant (Kameoka-shi, Kyoto)
Kansai Plant (Ono-shi, Hyogo)
Kasaoka Plant (Kasaoka-shi, Okayama)
Fukuyama Plant (Fukuyama-shi, Hiroshima)
Kannabe Plant (Fukuyama-shi, Hiroshima)
FPCO Ducks Co. Kochi Plant (Nankoku-shi, Kochi)
Kyushu Plant (Kanzaki-gun, Saga)
Nango Plant (Nichinan-shi, Miyazaki)
Kagoshima Plant (Kagoshima-shi, Kagoshima)

Recycling Plants/Sorting Plants

Kanto Recycling Plant (Yuki-gun, Ibaraki)
Kanto PET Recycling Plant (Yuki-gun, Ibaraki)
Chubu Recycling Plant (Anpachi-gun, Gifu)
Chubu PET Recycling Plant (Anpachi-gun, Gifu)
Fukuyama Recycling Plant (Fukuyama-shi, Hiroshima)
Hokkaido Sorting Plant (Ishikari-shi, Hokkaido)
Yamagata Sorting Plant (Sagae-shi, Yamagata)
Ibaraki Sorting Plant (Bando-shi, Ibaraki)
Matsumoto Sorting Plant (Matsumoto-shi, Nagano)
Tokai Sorting Plant (Sunto-gun, Shizuoka)
Gifu Sorting Plant (Anpachi-gun, Gifu)
Kanazawa Sorting Plant (Kanazawa-shi, Ishikawa)
Nishinomiya Sorting Plant (Nishinomiya-shi, Hyogo)
Kansai Sorting Plant (Ono-shi, Hyogo)
Fukuyama Sorting Plant (Fukuyama-shi, Hiroshima)
Kyushu Sorting Plant (Kanzaki-shi, Saga)
Nishinihon PET-Bottle Recycle Co., Ltd. (Wakamatsu-ku, Kitakyushu-shi)

Distribution Centers/Small-Lot Distribution Centers

Hokkaido Distribution Center (Ishikari-shi, Hokkaido)
Tohoku Distribution Center (Sagae-shi, Yamagata)
Kanto Hub Center (Yuki-gun, Ibaraki)
Hachioji Distribution Center (Hachioji-shi, Tokyo)
Chubu Hub Center (Anpachi-gun, Gifu)
Tokai Distribution Center (Sunto-gun, Shizuoka)
Kansai Hub Center (Ono-shi, Hyogo)
Fukuyama Hub Center (Fukuyama-shi, Hiroshima)
Kyushu Distribution Center (Kanzaki-gun, Saga)
Hokkaido Picking Center (Ishikari-shi, Hokkaido)
Tohoku Picking Center (Kurokawa-gun, Miyagi)
Kanto Picking Center (Yuki-gun, Ibaraki)
Ibaraki Picking Center (Yuki-gun, Ibaraki)
Hachioji Picking Center (Hachioji-shi, Tokyo)
Niigata Picking Center (Nagaoka-shi, Niigata)
Chubu Picking Center (Anpachi-gun, Gifu)
Kansai Picking Center (Kita-ku, Kobe-shi)
Fukuyama Picking Center (Fukuyama-shi, Hiroshima)
Kyushu Picking Center (Kanzaki-gun, Saga)



Summary of Human Resources Data

Details are available here

The following are data related to the society-related aspects of FP Corporation.

Statistics on Employees (as of the end of March 2025)		Male	Female	Annual
Number of Employees	(persons)	651	337	988
Number of Foreign Employees	(persons)	1	5	6
Average Age	(persons)	45.2	36	42.1
Under 30		108	125	233
30 - 39		120	85	205
40 - 49		165	102	267
50 - 59		178	19	197
60 and older		80	6	86
Continuous Years of Employment	(year)	18.5	12.4	16.5
Number of employees (Consolidated)	(persons)	3,905	1,345	5,250

Number of Resignations		Early	Voluntary	Company-mandated	Transfers	Others:	Annual
FY2024	(persons)	0	28	1	1	0	30

New Graduate Employee Retention Status		Male	Female	Annual
Number of Graduate Employees Hired in April 2022	(persons)	18	18	36
Number Remaining in April 2025	(persons)	15	15	30

	Female (persons)	Male (persons)	Percentage of Female Employees (%)
Percentage of Female Employees in Managerial Positions	67	395	14.5

Employment of Persons with Disabilities		FY2020	FY2021	FY2022	FY2023	FY2024
Actual Number	(people)	362	365	365	393	401
Employment rate of people with disabilities	(%)	12.7	12.6	12.5	12.6	12.6

Work-life Balance		FY2020	FY2021	FY2022	FY2023	FY2024
Percentage of Paid Leave Taken	(%)	49.3	56.1	57.6	63.6	58.6
Average Monthly Hours of Overtime Worked Per Person	(Time/Month)	8.0	7.8	7.7	7.5	8.9
Number of Employees Taking Maternity Leave	(persons)	12	15	14	18	19
Number of Employees Taking Childcare Leave	(persons)	15	15	20	20	21
Female		14	13	18	15	19
Male		1	2	2	5	6
Percentage of Childcare Leave Taken by Female Employees	(%)	100.0	100.0	100.0	100.0	100.0
Percentage of Childcare Leave Taken by Male Employees	(%)	5.0	9.1	9.5	21.7	27.3
Percentage of Employees Returning from Childcare Leave	(%)	96.0	95.2	100.0	95.2	100.0
Percentage of Childcare Leave, Etc. Taken by Male Employees*	(%)	—	—	—	82.6	69.2

* Percentage of employees taking FP Corporation's unique leave program (leave of five consecutive days for childcare) combined with those taking statutory childcare leave

Financial Summary (consolidated)

The following are business performance data of FP Corporation.

Term		59th Term	60th Term	61st Term	62nd Term	63rd Term
Year and Month of Financial Results		March 2021	March 2022	March 2023	March 2024	March 2025
Net sales	(million yen)	187,509	195,700	211,285	222,100	235,628
Ordinary profit	(million yen)	19,381	16,703	17,328	16,780	18,451
Profit attributable to owners of parent	(million yen)	12,211	11,206	11,529	11,724	12,486
Comprehensive income	(million yen)	13,021	11,118	11,558	12,485	12,812
Net assets	(million yen)	124,980	132,455	140,171	145,844	154,114
Total assets	(million yen)	247,234	262,695	298,623	298,580	292,226
Net assets per share	(yen)	1,520.06	1,610.11	1,703.56	1,795.71	1,897.68
Net income per share	(yen)	147.80	136.96	140.87	143.50	154.46
Net income per share (diluted)	(yen)	—	—	—	—	—
Equity ratio	(%)	50.3	50.2	46.7	48.6	52.5
Return on equity	(%)	10.0	8.8	8.5	8.2	8.4
Stock price to earnings ratio	(times)	30.5	21.3	23.3	19.2	18.3
Cash flows from operating activities	(million yen)	31,814	23,148	20,071	29,176	27,919
Net cash provided by (used in) investing activities	(million yen)	-19,131	-22,866	-34,306	-10,711	-14,929
Net cash provided by (used in) financing activities	(million yen)	-15,086	1,578	16,745	-17,013	-18,070
Cash and cash equivalents at end of period	(million yen)	17,884	19,745	22,255	23,707	19,020

*1 The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. has been adopted since the beginning of the 60th term, and the accounting standard, etc. is applied retroactively to major management indicators, etc. for the 59th term.
*2 Diluted net income per share is not listed due to the absence of dilutive shares.
*3 On October 1, 2020, the Company implemented a two-for-one common stock split. In connection with the stock split, the Company calculated net income per share and net assets per share, assuming the stock split was performed at the beginning of the 59th term.

Summary of Environmental Data

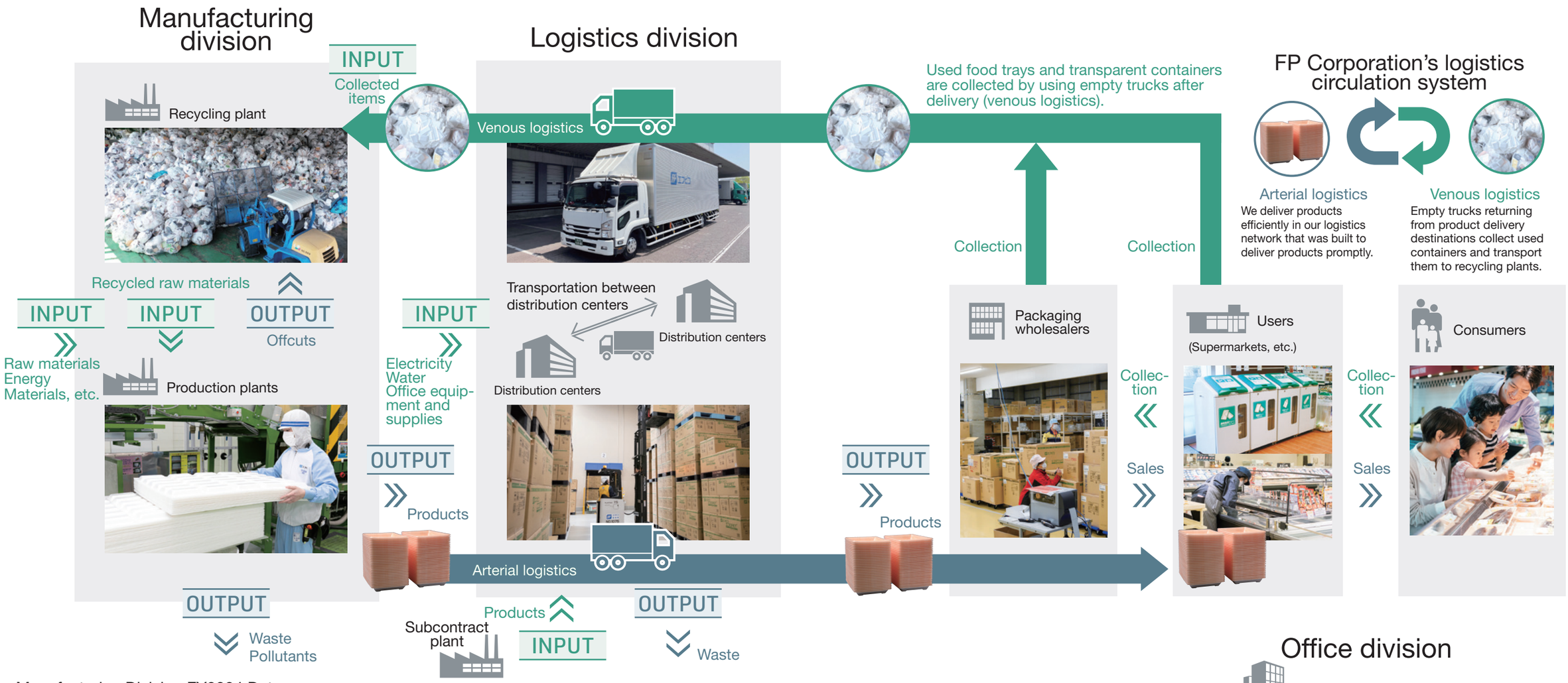
At FP Corporation, we make every effort to accurately grasp the impact our own corporate activities have on the environment, to reduce and control the impact we have on the natural environment as much as possible. The following are our CO_2 emissions and the balance of material inputs and outputs and energy usage by division.

CO_2 emissions

	FY2024 (fiscal year ended March 31, 2024) (t-CO_2)
Scope 1	7,140
Scope 2	167,378

* Scope 2 emissions were calculated using the market-based method.

Details are available here



Manufacturing Division FY2024 Data

INPUT	Energy	Electricity	407,879,873 kwh
		Energy from Fossil Fuels	86,422,874 MJ
	Water Resources	Water Supply	600,047 ㎥
		Groundwater	223,120 ㎥
		Industrial Water	89,348 ㎥
	Raw Materials (Resins, etc.)		225,917 t
	Secondary Materials	Cardboard	40,731 t
		Packaging Plastic	3,575 t
	Others:	Lubricating Oil	7,972 L
		Thinners	63,323 L
		Paper	3,170,500 sheets

OUTPUT	Products	Product Manufacturing Weight	213,900 t
		Number of Truck Shipments	168,065 vehicles
	Waste		25,447 t
	Environmental Pollutants	Soot and Dust	31 Kg
		NOx	3,310 Kg
		SOx	896 Kg
		BOD	2,142 Kg
		COD	1,947 Kg
		SS	189 Kg

Logistics Division FY2024 Data

INPUT		
Energy	Electricity	18,200,094 kwh
	Energy from Fossil Fuels	4,157,888 MJ
Water Resources	Water Supply	19,286 ㎥
Others:	Paper	10,457,154 sheets

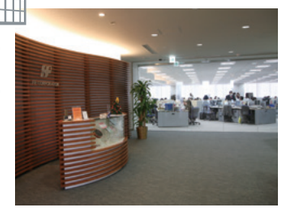
OUTPUT	
Waste	499 t

Office Division FY2024 Data

INPUT		
Energy	Electricity	3,814,209 kwh
Water Resources	Water Supply	6,098 ㎥
Others:	Paper	9,911,030 sheets

OUTPUT	
Waste	51 t

Office division



INPUT
Electricity
Water
Office equipment and supplies

OUTPUT
Waste

Participation in Initiatives, Social Evaluation, etc.

Environmental groups in which FP Corporation participates

Certified under the Eco First program

The FPCO Group made its Eco First commitment to the Minister of the Environment in 2011 and has since been implementing advanced environmental initiatives. In June 2024, we updated this commitment and expressed our intention to take additional action on the environment.

The Japan Partnership for Circular Economy (J4CE) is a framework for public and private partnership that was founded in 2021 by the Ministry of the Environment, Ministry of Economy, Trade and Industry, and Keidanren (Japan Business Federation) for the purpose of promoting understanding of the circular economy and enhancing relevant initiatives. The FPCO Method Recycling is introduced as one of 29 highly noteworthy cases in Noteworthy Cases compiled by JACE.

FP Corporation has been participating in the Clean Ocean Material Alliance (CLOMA), which was founded in 2019, as an Executive Committee member company since its foundation. As the vice chair of the technical subcommittee, we have been working on the development of recycling technologies and new materials, among other initiatives.

FP Corporation supports the 30by30 target aimed at conserving 30% of national land and sea areas in Japan by 2030, and we participate in the 30by30 Alliance operated by the Ministry of the Environment. We support the protection of rivers, seas, satoyama (woodlands near villages) and forests, research in these areas, and environmental education via the FP Corp. Environment Fund.

ESG Indexes

FTSE4Good

FTSE Blossom Japan

FTSE Blossom Japan Sector Relative Index

FP Corporation has been selected as a constituent of the FTSE4Good Index Series, which is announced based on ESG evaluation of approx. 3,000 major companies in the world.

2024 CONSTITUENT MSCI日本株女性活躍指数 (WIN)

This index is determined by calculating gender diversity scores based on data about the employment of women disclosed pursuant to the Act on Promotion of Women's Participation and Advancement in the Workplace and selecting companies with high scores from each industry. It is one of the ESG indexes developed by MSCI Inc. of the United States, and as with the FTSE Blossom Japan Index, it is used by the Government Pension Investment Fund (GPIF).

S&P/JPX Carbon Efficient Index

One of the indexes used by GPIF that was designed with focuses on the state of environmental information disclosure and carbon efficiency levels

External evaluation

Excellence Prize in Eco Mark Award 2024

In this award program, which is hosted by the Japan Environment Association, FP Corporation won the Excellence Prize, following the gold prize won in 2010. The Tray-to-Tray recycling received the Eco Mark certification in 1991 and has been expanded to stores across Japan as an activity with the participation of consumers. It is highly evaluated as the vanguard of a circular economy.

An "A" score earned from CDP in 2024 Climate Change Disclosure

CDP is an international non-profit organization that evaluates and scores corporate initiatives related to climate change and the conservation of water resources and forests. FP Corporation was included in the Climate Change A List, the top rating, for two consecutive years in 2024 in recognition of its advanced initiatives to tackle climate change and the high level of its disclosure of information. We will continue to take action to tackle climate change, aiming to build a sustainable, recycling-oriented society.

In December 2024, FP Corporation was rated as Best Workplace, the highest rating in D&I Award, for the second consecutive year. It is Japan's largest award program, which evaluates companies taking diversity and inclusion (D&I) initiatives. We were recognized for our many years of efforts to promote the employment of human resources with disabilities and enhancement of initiatives including support for employees in balancing work and childcare.

Eruboshi (Level 2)

In 2023, FP Corporation was granted the Eruboshi Certification (Level 2) as a company promoting the active participation of women in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace. We have met three evaluation criteria for workstyles including work hours, the percentage of female managers, and diverse career courses. Our general employers action plan is included in the Ministry of Health, Labour and Welfare's database of companies promoting women's participation and advancement in the workplace.

The Certified KENKO Investment for Health Outstanding Organizations Recognition Program (large enterprise category) commends companies that consider the health of employees and other stakeholders from a management perspective and that strategically implement initiatives which lead to the maintenance and promotion of good health. FP Corporation has been recognized under this program for four consecutive years since 2022.

FP Corporation was certified by the Japan Sports Agency as a2025 Sports Yell Company, recognized as a company that actively encourages employees to play sports for better health. We have been certified under this program consecutively since FY2018 and was granted the silver certification.

FP Corporation's History

1962	Fukuyama Pearl Paper Manufacturing Corporation established. Fukuyama Headquarters established in Komiya-cho (now Kasumi-cho), Fukuyama, Hiroshima Prefecture. Foamed PS thermoforming launched.
1972	The Fukuyama Distribution Center (Fukuyama, Hiroshima) is established and distribution centers are subsequently set up in various regions.
1976	First Pearl Fair (currently FPCO Fair) exhibition held, featuring the company's products.
1979	FP Logistics Corporation established to reinforce delivery system.
1981	Manufacturing and selling of colored food containers commence in response to the trend of fashionable food receptacles.
1983	Tokyo Branch (Nerima-ku, Tokyo) established.
1985	Osaka Branch (Osaka-shi, Osaka) established. The Kanto Plant (Yachiyo-machi, Ibaraki) begins operations and manufacturing plants subsequently set up in various regions.
1989	CI introduced. Corporate name changed to FP Corporation. Listed on the Hiroshima Stock Exchange.
1991	Listed on the Second Section of the Osaka Stock Exchange.
1997	Yasuhiro Komatsu, the then President and CEO, is awarded Medal with Blue Ribbon.
2000	Construction of the headquarters and plant of Special Subsidiary Company Ducks Shikoku Co. (Nankoku, Kochi) is completed, and special subsidiary company business sites subsequently set up in various regions. Listed on the Second Section of the Tokyo Stock Exchange.
2001	Fukuyama / Tokyo double head office system started, with Tokyo Branch upgraded to Tokyo Headquarters.
2003	East Japan Hub Center (Yachiyo-machi, Ibaraki) completed.
2005	Listed on the First Section of the Tokyo and Osaka Stock Exchanges.
2006	Hiroshima Ai Pack Co. (currently FPCO Ai Pack Co.) established as a subsidiary with Type A Support for Continuous Employment, and Ai Pack business sites subsequently set up in various regions.
2007	The rebuilding of Fukuyama Headquarters
2012	The world's first biaxially oriented PET product for plastic containers is released.
2013	Yasuhiro Komatsu, the then Chairman & CEO, honored with the Order of the Rising Sun, Gold and Silver Star.
2014	The Fukuyama Cross Dock Center (Fukuyama-shi, Hiroshima) begins operations. FPCO Comprehensive Research Institute and Human Resources Development and Training Center (Fukuyama, Hiroshima) are completed.







Fukuyama Headquarters



FPCO Research Center and Human Resources Development and Training Center

2015	FP Corporation is selected by the Ministry of Economy, Trade and Industry under the Diversity Management Selection 100. FP Corporation is selected as one of the Competitive IT Strategy Companies by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. FP Corporation wins a prize of excellence in the category of product and technology development in the Sixth Monozukuri Nippon Grand Awards organized by the Ministry of Economy, Trade and Industry.
2016	FP Corporation's the then Chairman and CEO Yasuhiro Komatsu recognized as an honorary citizen of Fukuyama City.
2017	FP Corporation's founder Yasuhiro Komatsu passes away.
2018	The completion of the construction of the headquarters of FPCO ALRight Co., Ltd. The completion of the construction of the new Hiroshima Sales Office building FP Corporation is certified as a Sports Yell Company for 2018 (Japan Sports Agency) (and has since been certified for seven consecutive years).
2019	FP Corporation wins an award in the first Japan Times ESG Awards.
2020	The Fukuyama-shi gymnasium, for which FP Corporation acquired the naming rights, opens as FPCO Arena Fukuyama.
2021	The completion of the construction of Chubu Hub Center
2022	FP Corporation transferred to Tokyo Stock Exchange Prime Market (stock code: 7947). We acquired a stake in Lee Soon Seng Plastic Industries Sdn. Bhd. (LSSPI), a plastic food container manufacturer in Malaysia. FP Corporation is selected under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program (large enterprise category) (and has since been selected for four consecutive years).
2023	The completion of the construction of Kansai Plant and Kansai Hub Center (Onoshi, Hyogo). Eruboshi (Level 2) certification obtained
2024	Completion of the Kansai Sorting Plant
2025	FP Corporation wins grand prize in Nikkei Company Song Contest 2025.



FPCO Arena Fukuyama



Kansai Plant and Kansai Hub Center

1962 Fukuyama Pearl Paper Manufacturing Corporation established.

1989 Corporate name changed to FP Corporation. Listed on the Hiroshima Stock Exchange.

2005 Listed on the First Section of the Tokyo and Osaka Stock Exchanges.

FP Corporation's History

Environmental initiatives, achievements, etc.

1980	Problems with the disposal of trays occur and FP Corporation is among the first companies to begin the collection of used trays.
1990	FPCO Method Recycling begins
1991	Eco Tray becomes the first in the industry to receive Eco Mark certification.
1993	Receives the Chairman's Award in the Clean Japan Center sponsored Award Program for Companies Contributing to the Reuse of Resources.
2007	Receives the Award for Excellence in the Product Division of the First Container and Packaging 3R Promotion Minister of the Environment Awards.
2011	Receives the Gold prize at the Eco Mark Award 2010. FP Corporation is recognized as an Eco-First Company by the Minister of the Environment. The Eco APET, recycled PET plastic containers, receive Eco Mark certification from the Japan Environment Association.
2015	Receives the Minister of the Environment Award for Global Warming Prevention Activity (Category of countermeasure activity implementation and dissemination).
2016	The Chubu Eco PET Plant begins operation as a base of integrated production covering processes from recycling of PET bottles to production of the Eco APET containers.
2017	The Kanto Eco PET Plant begins operations.
2018	Participates as an exhibitor in G20 Innovation Exhibition.
2019	Participates in the Clean Ocean Material Alliance as an Executive Committee member.
2020	Establishes the FP Corp. Environment Fund.
2021	Announces the Declaration of Carbon Offsetting.
2022	Introduces solar power generation to Kanto Yachiyo area. Kanto Recycling Plant begins to procure 100% of power from renewable energy sources. Announces FP Corporation Eco Action (FPEA) 2.0, FP Corporation's medium- to long-term targets. Announces support for the TCFD Recommendations Introduces solar power generation equipment in Chubu area.
2023	The FPCO Method Tray-to-Tray recycling exhibited at the PR exhibition in the International Media Center (IMC) that is held in conjunction with the G7 Hiroshima Summit. Wins the encouragement prize in the Eco Unit category in the Eco Test Award 2023 hosted by the Tokyo Chamber of Commerce and Industry.
2024	CO_2 reduction effect of Eco Tray increases to 37% due to the start of procurement of renewable energy from the rooftop solar power generation equipment of Kansai Plant and Kansai Hub Center. FP Corporation updates its Eco First commitment. Kansai Sorting Center begins operating. Excellence Prize granted in Eco Mark Award 2024















As reported in the "Special Feature: Source of Value Creation" section, FP Corporation was honored with the grand prize in the Nikkei Company Song Contest 2025, selected as the top-prize winner from among 117 companies and organizations in total that entered the competition. The moment of announcement of the grand prize winner must have given indescribable pleasure to the members of the Executive Committee of the Company Song Contest Project, who gathered as representatives of FPCO Group companies and shared hardships. We hear that, here and there, many people were seen to have tears after smiles of pleasure.

As the theme of this report, we dealt with the essence of the FPCO Group, a corporate culture that was created by repeating the process of taking on a challenge, cooperating, making efforts, overcoming the challenge, being unified, and achieving a success. The victory in the Company Song Contest symbolizes this theme.

Thank you very much for reading FP Corporation Report 2025. We would be grateful if you could complete the survey and return it to us for the continued improvement of the report. Thank you in advance for your cooperation.



Eiji Togashi
General Manager,
Sustainability Promotion Dept.

Scan this QR code or use the sheet attached to this report to complete the questionnaire. We thank you for your cooperation.



FPCO – The name behind your food trays and containers.

FP Corporation

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