

March 13, 2020

To whom it may concern

Sumitomo Mitsui Trust Bank, Ltd.

**Notice regarding the Signing of Sustainability Linked Loan Agreement  
with Sumitomo Heavy Industries, Ltd.**

Sumitomo Mitsui Trust Bank, Limited (President: Masaru Hashimoto; hereinafter "SuMi TRUST Bank") hereby announces the signing of a loan agreement with Sumitomo Heavy Industries, Ltd. (President: Shinji Shimomura; hereinafter "SHI"). The loan is in accordance with the Principles for Sustainability Linked Loan established by Loan Market Association (\*1).

The Sustainability Linked Loan aims to promote and support environmentally and socially sustainable economic activity and economic growth of a client company by setting sustainability performance targets (hereinafter, "SPTs") which align with the sustainability goals set out in client borrowers' CSR strategies, by linking lending terms and borrowers' performance with SPTs, and motivating them to achieve the SPTs.

The aim of this loan is to support SHI's activities toward realization of a sustainable society by setting targets for "reducing carbon dioxide emissions during production and transportation of products" and "increasing the ratio of environmentally-friendly products in net sales" as SPTs.

SuMi TRUST Bank obtained a third-party opinion (\*2) from the Japan Credit Rating Research Institute, Inc. (President & Representative Director: Shokichi Takagi) regarding compliance with the Principles for Sustainability Link Loans and the rationality of the SPTs.

Through provision of various types of corporate finance including the Sustainability Link Loan, SuMi TRUST Bank will continue to support clients' business activities that contribute to the achievement of the SDGs' and to contribute to the enhancement of their corporate value over the medium to long term.

(\*1) Loan Market Association (LMA) is an association aimed at improving the liquidity, efficiency, and transparency of the European, Middle Eastern, and African syndicated loan markets. LMA is composed of more than 700 institutions from more than 60 countries.

<https://www.lma.eu.com/>

(\*2) Independent opinion of Japan Credit Rating Agency, Ltd.

<https://www.jcr.co.jp/greenfinance/> ([Link](#))

For details, please refer to the latest news on the URL site (a special site for sustainable finance).

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