

August 06, 2021

To whom it may concern

Sumitomo Mitsui Trust Bank, Limited



Notice regarding the execution of Sustainability Linked Derivatives

Sumitomo Mitsui Trust Bank, Limited (President: Kazuya Oyama hereinafter “SuMi TRUST Bank”) hereby announces that it executed the “Sustainability Linked FX” (hereinafter “this transaction”) with ASICS Corporation (President and COO: Yasuhito Hirota hereinafter “ASICS”) which is based on Sustainability Linked Loan Principles (*1) stipulated by some associations such as the Loan Market Association (hereinafter “LMA”) (*2). This is the first transaction of Sustainability Linked Derivatives with a Japanese listed company (according to our research).

ASICS set “Sustainability Performance Target” (hereinafter “SPT”) on this transaction which is relevant to ASICS Sustainability Vision. This transaction has an additional term linked with the SPT, thus it gives incentive for ASICS to achieve the target, besides, it assists ASICS to promote its own business sustainably. Should ASICS fail to achieve the SPT, it would make another positive impact by donating predefined amount to organizations which fit in with ASICS Sustainability Vision.

The ASICS Corporate Philosophy says, “Fulfill our social responsibility and help improve conditions for communities around the world”, and ASICS always puts CSR and Sustainability in the center of its business. It has various goals based on 2 pillars, “Planet” and “People”, and develops its business with special concern for Sustainability. (*3)

The SPT is as follows, and SuMi TRUST Bank aims to support ASICS business activities for realization of the Sustainable Society through this transaction.

SPT	Related SDGs
To be selected as Leaderboard in the Supplier Engagement Rating Program (*4) 2023 by CDP (*5)	 

In addition, this transaction has a third-party opinion on its compliance with Sustainability Linked Loan Principles and the rationality of the SPT by Rating and Investment Information, Inc. (President and CEO: Hiroshi Yamazaki hereinafter “R&I”) (*6).

Through offering sustainable solutions such as sustainability linked derivatives, SuMi TRUST Bank will continue to support our clients' business activities toward the achievement of Sustainable Development Goals(SDGs), and contribute to the improvement of their corporate value over the medium to long term.

(*1) Sustainability Linked Loan Principles are voluntary baselines about Sustainability Linked Loan originally published in 2019.

(*2) Loan Market Association was established in 1996 and is based in London. It aims to improve liquidity, efficiency and transparency in the primary and secondary syndicated loan markets in Europe, the Middle East and Africa (EMEA).

(*3) Please visit ASICS website for more details.

Corporate site: <https://corp.asics.com/en/>

Sustainability: <https://corp.asics.com/en/csr>

(*4) CDP is an international not-for-profit organization based in United Kingdom and established in 2000. It runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. Over 9,600 companies worldwide reported through its disclosure system in 2020. Please visit CDP website for more details.

<https://www.cdp.net/en>

(5*) Supplier Engagement Rating Program is a scoring system designed to evaluate the supplier engagement practices of companies. The highest scored companies in the program are recognized as Leaderboard. In 2020, the top 7% were listed on the Leaderboard.

(6*) Please visit R&I website for more details.

<https://www.r-i.co.jp/en/index.html>

Note: This press release has been prepared for the sole purpose of publicly announcing matters relating to the SuMi TRUST Bank's issuance of the Notes, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. There will be no public offering in Japan or the United States with respect to the Notes. This press release is not an offer of securities for sale in Japan, the United States or any other country. The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan, the U.S. Securities Act of 1933 or any other applicable securities laws. The Notes may not be offered or sold absent registration or an exemption from registration under the Financial Instruments and Exchange Act of Japan, the U.S. Securities Act of 1933 or any other applicable securities laws.