

October 29, 2021

To whom it may concern

Sumitomo Mitsui Trust Bank, Limited
Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.

Notice Regarding the Start of Renewable Electricity Procurement at Sumitomo Mitsui Trust Bank

Sumitomo Mitsui Trust Bank, Limited (President: Kazuya Oyama, hereinafter “SuMi TRUST Bank”) is pleased to announce our plans to utilize the Offsite Corporate PPA^{※1} structure to procure electric power through UPDATER, Inc. from a solar power plant for use at two of our branches in the Kansai region, the Kyoto and Himeji Branches.

The Sumitomo Mitsui Trust Group has already announced our SuMi TRUST Group Carbon Neutral Commitment^{※2} and in this commitment, we aim to achieve net-zero GHG emissions by 2030. In order to reduce our CO2 emissions stemming from electricity use in our Group’s branches and offices, we plan to make progress with the switch to renewable electricity and procure electricity produced at solar power plants as well as electricity which uses non-fossil fuel energy certificates^{※3}. In doing so, we seek to achieve net-zero emissions for our branches. The electricity acquired from the solar power plant in this particular PPA will account for approximately 40% of the yearly electricity consumption of both branches, leading to a roughly 75-ton reduction in anticipated yearly CO2 emissions.

Furthermore, in order to contribute to achieving carbon neutrality in society, the SuMi TRUST Group is bolstering initiatives which emphasize the increase of domestic renewable energy sources, or additionality^{※4}.

As part of this endeavor, SuMi TRUST Bank has decided to provide financing to UPDATER, Inc. through our SuMi TRUST Innovation Fund^{※5}. In addition to this, Sumitomo Mitsui Trust Panasonic Finance Co., Ltd. (President: Toshiya Nishino) will be providing finance leasing. In the days ahead, we intend to work towards establishing a system to provide the services which are necessary to supply our environmentally forward-thinking clients with the renewable energy they need in order to meet their RE100^{※6}, SBT^{※7}, and other environmental goals.

SuMi TRUST Bank, in accordance with the SuMi TRUST Group Carbon Neutral Commitment, will aim to spread and popularize the use of renewable energy while contributing to the achievement of the SDGs and goals of the Paris Agreement.

End

※1 Corporate PPA (Power Purchase Agreement)

A contract in which a consumer agrees to purchase renewable electricity from a power company over a long period of time. This particular case is an Offsite Corporate PPA model in which electricity generated at a remote facility is relayed through the power grid and delivered to the consumer, i.e. the buildings in which SuMi TRUST Bank branches are located.

※2 SuMi TRUST Group Carbon Neutral Commitment

(<https://www.smth.jp/english/-/media/th/english/news/2021/E211020.pdf>)

- ① Contribute to achieving carbon neutrality in society by leveraging the trust banking group's wide-range and flexible functions.
- ② Target net-zero GHG emissions in investment and loan portfolios by 2050. To achieve net-zero emissions by 2050, a milestone target for 2030 will be formulated in FY2022 in line with the framework of the NZBA.
- ③ Achieve net-zero GHG emissions in the SuMi TRUST Group by 2030.

※3 Non-fossil fuel energy certificate

A document which certifies the environmental value of electricity created without the production of CO₂ and tracks the attribute information of the power generating facility from which it came. By combining electricity produced via renewable sources and non-fossil fuel energy certificates in the procurement process, effectively 100% renewable energy can be achieved.

※4 Additionality

Additionality means constructing new renewable electricity generating facilities, or the involvement in such projects, and using the electricity created thereby. The term refers to the amplification effect had on the available quantity of renewable energy.

※5 SuMi TRUST Innovation Fund

A private fund jointly established by Sumitomo Mitsui Trust Bank, Limited and SBI Investment Co., Ltd. (Representative Director & President: Katsuya Kawashima).

※6 RE100

An initiative whose goal is to lead businesses towards sustaining themselves with 100% renewable electricity.

※7 SBT (Science Based Target)

GHG emission reduction targets set by companies for 5-15 years in the future and which are in line with the Paris Agreement's goals of limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

(Further Information)

1. Project Details

Plant Name	Sugi-Ike Solar Power Plant
Location	283-1 Sugicho Yamato Kooriyama City, Nara Prefecture
Power Output	853kW
Max Power Reception	625 kW
Anticipated Yearly Electricity Production	1,014,777 kWh
Standard Voltage	6.6kV

We plan to also supply the electricity procured from this solar power plant to the other tenants located in the same buildings as our 2 branches in the Kansai region.

2. Overview of Funding Information

【Company Profile】

Name	UPDATER, Inc. (Formerly: Minna-Denryoku, Inc.)
Location	2-11-22 Sangen-jyaya Suntower Center Bldg 8FL Setagaya City, Tokyo
Overview of Business	<ul style="list-style-type: none">Renewable energy “Minna-Denryoku” (retail sale of electricity; development, sale, and maintenance of renewable energy power plants; new power consulting services for local communities, and more)Air quality solution services “Minna Air”Owned Media “TADORi,” etc.
Foundation Date	May 2011
Capital	¥1,349,800,000 (¥2,039,180,000 in Capital Reserve) ※As of September 30, 2021
Homepage	https://minden.co.jp/

【Main Purpose of Funding】

The electricity retail services offered by UPDATER, Inc. boast industry top-class FIT renewable electricity ratios. SuMi TRUST Bank believes that their services can contribute to promotion of the decarbonization efforts of our Bank as well as those of our clients, and it is for this reason that we have chosen to help finance their business.