

October 8, 2020

To whom it may concern

Sumitomo Mitsui Trust Bank, Limited

Notice regarding the Decision of Issuance of Covered Bond

Sumitomo Mitsui Trust Bank, Limited (President: Masaru Hashimoto hereinafter “SuMi TRUST Bank”) hereby announces that it has decided to issue its first Covered Bonds (the “Covered Bonds”) in overseas markets on October 7, 2020.

A covered bond is a type of secured bond collateralized by a pool of very low risk assets, typically mortgage loans with the key characteristic of having a dual-recourse structure (*). In many countries, largely in Europe as its origin, covered bonds are widely issued under a covered bond legislation but given the absence of such a legislation in Japan, SuMi TRUST Bank determined that it will issue a “contractual covered bond”, intending to clear some legal hurdle to achieve dual-recourse structure.

For further growth of its overseas businesses, SuMi TRUST Bank is focused on diversification of its funding mix, expansion of investor base and establishment of more stable and cost-efficient funding sources so as not to rely too much on specific markets or short term funding. As a result of the issuance of Covered Bonds, SuMi TRUST Bank aims to solidify its foreign currency funding sources and make further steps in adding value for its clients and stakeholders.

End

(*). Dual-recourse structure is one of the most important characteristics of covered bonds and provides investors with recourse to both the originator and the bankruptcy-remoted assets in the bonds’ collateral pool.

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 Covered Bonds, 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 Covered Bonds. This press release is not an offer of securities for sale in Japan, the United States or any other country. The Covered Bonds 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 Covered Bonds 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.