

September 28, 2018

To whom it may concern

Sumitomo Mitsui Trust Holdings, Inc.

**Notice regarding Framework for Issuing Trust Beneficiary Rights backed by  
Renewable Energy Project Finance by our Subsidiary**

Please be informed that Sumitomo Mitsui Trust Bank, Limited, a subsidiary of Sumitomo Mitsui Trust Holdings, Inc. today announced the attached press release.

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**Notice regarding Framework for Issuing Trust Beneficially Rights**  
**Backed by Renewable Energy Project Finance**

Sumitomo Mitsui Trust Bank, Limited (President: Masaru Hashimoto, hereinafter “SuMi TRUST Bank”) has established a framework for issuing and selling the trust beneficially rights (\*1) backed by project finance receivables of renewable energy projects (\*2).

The trust beneficially rights comply with the Green Bond Principles (GBP) (\*3) and received the rating of “Green 1”, the highest grade in “JCR green bond evaluation” (\*4) provided by Japan Credit Rating Agency, Ltd. (JCR).

SuMi TRUST Bank established “Action Guidelines for Mitigating Climate Change” to work on developing and providing products and services that help mitigate climate change, through promotion of energy conservation leveraging its financial functions and encouraging the use of renewable energy. It aims to provide comprehensive solutions by utilizing its trust functions.

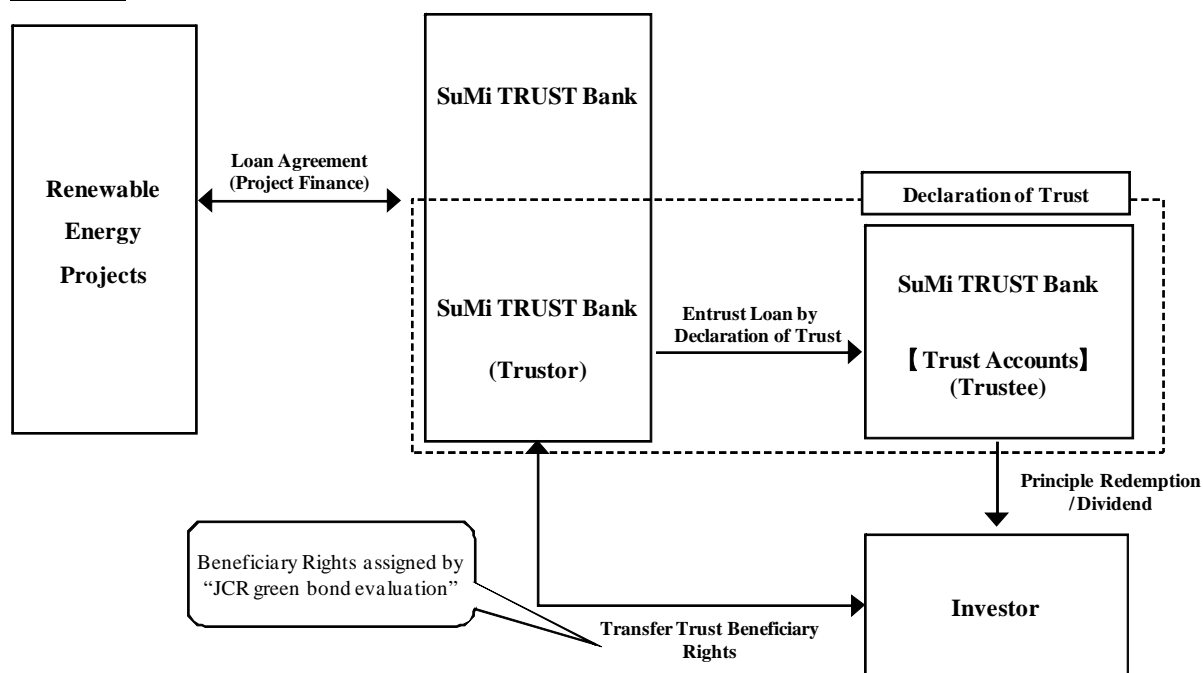
The green finance initiatives including issuance of green bonds which the proceeds are used to fund projects that contribute to improvement of global climate issues, have been expanding worldwide. Accordingly, investors’ interests in the area of ESG (Environment, Social and Governance) investment have also been growing.

Moreover, initiatives by financial institutions including SuMi TRUST Bank to promote project finance of renewable energy have expanded after the introduction of the Feed-in Tariff scheme (\*5). On the other hand, it was difficult to sell and transfer project finance receivables in terms of practical operations, and the improvement of liquidity in the secondary market has been the challenge. In such circumstances, SuMi TRUST Bank has achieved to establish the framework that provides a new investment opportunity to investors who were eager to ESG investments but with no access to project finance, by entrusting project finance receivables and obtaining a green finance evaluation of trust beneficially rights.

Going forward, SuMi TRUST Bank aims to broaden its investor base through considering obtaining of credit ratings and integration of several projects etc., and this case will be a first step. SuMi TRUST Bank believes that this case will contribute to development of renewable energy market and provide new investment opportunities as well as to expand the investor base of the growing domestic renewable energy market.

SuMi TRUST Bank continues to show strong commitments to contribute to the realization of sustainable society, through provision of total solution for clients as well as developing and improving new products with its financial functions of specialized trust bank group.

## Overview



- \*1: Declaration of trust is a way of trust when Trustor and Trustee are the same. Declaration of trust is achieved by way of notary document or electronic record. After the declaration, Trustee should control the underlying asset for the purpose of the trust by trust law.
- \*2: This framework targets renewable energy projects.
- \*3: Green Bond Principles (GBP): International guideline developed by International Capital Market Association (ICMA)
- \*4: JCR green bond evaluation: Japan Credit Rating Agency, Ltd. (JCR) performs JCR Green Bond evaluation in accordance with GBP.
- \*5: A scheme that obliges electric power company to buy electricity generated with renewable energy at certain price for a certain period.

### 《Notice》

This document is a press release only intended to announce our product officially and is not for investment solicitation or one of its action both domestic and overseas. Moreover, this product has been set up and has been sold.