

[NEWS RELEASE]

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Sumitomo Mitsui Banking Corporation

First Syndicated Commitment Line Loan based on an ESG/SDGs Evaluation of the NSG Group

TOKYO, November 14, 2018 --- Sumitomo Mitsui Banking Corporation (“SMBC,” President and CEO: Makoto Takashima) arranged a syndicated commitment line loan contract for the NSG Group (“NSG,” President and CEO: Shigeki Mori) based on an ESG/SDGs evaluation (ESG/SDG evaluated syndicated loan).

In accordance with the standards prepared by SMBC and the Japan Research Institute (President and CEO: Masahiro Fuchizaki), NSG was evaluated for its activities and information disclosure from the aspect of ESG*1 and for its contribution to achieving SDGs (Sustainable Development Goals*2). The syndication of this commitment line loan was arranged by financial institutions that endorse this objective.

NSG received high scores in its evaluation. The activities undertaken by NSG, the target of this loan, were determined to be of very high quality in each respective area: Environment, Society and Governance. The company also scored highly for implementing excellent activities and information disclosure as a part of corporate management for sustainability. In addition, it was deemed that NSG is highly motivated to contribute to SDGs through its business activities.

Activities aimed at achieving ESG and SDGs that received particularly high evaluations are as follows:

E: NSG, including its group companies, have a full grasp of the key environmental impact of their business activities. In addition, the company has hammered out a policy to expand sales of value-added products that contribute to reducing environmental impact throughout the product life cycle. Through this, the company aims to contribute to the achievement of a sustainable society.

S: The NSG Group implements a groupwide detailed review of its safety track record and has reduced the ratio of serious accidents. In addition, the company is implementing workstyle reforms. On top of which, it is establishing the NSG Group Supplier Code of Conduct to promote CSR initiatives across its supply chain.

G: NSG also established the Sustainability Committee as a companywide, cross-functional organization. The committee carries out activities companywide. Moreover, the company discloses an Integrated Report and the NSG Group Sustainability Policy to clearly state the policies for its activities as an organization.

SDGs: The Sustainability Committee holds discussions on NSG’s contribution to the achievement of SDGs. In addition, the committee holds shareholder and investor presentations to explain activities related to sustainability, including SDGs.

SMBC provides information that factors in the ESG/SDGs evaluated syndication and FTSE Russell ESG ratings data models, and aims to contribute further to the formation of a sustainable society and market.

<Reference>

* 1 ESG

ESG is an acronym that stands for Environmental, Social and (Corporate) Governance. These are seen as three key factors that must be given consideration by a company, and for which a company must be responsible, when deploying business activities.

*2 SDGs

Sustainable Development Goals or SDGs were adopted by UN member countries. The 17 SDGs and 169 targets is an agenda that pledges that “no one will be left behind.” The SDGs call for action by all countries and regions to address issues, including eradicating poverty, realizing equality, providing education, and developing a sustainable environment, by 2030.