



## Sumitomo Mitsui Trust Bank joins responsible ship financing principles

**Japan's Sumitomo Mitsui Trust Bank becomes the first Asian financial institution to sign on to the Poseidon Principles. The Principles now cover over \$150 billion in loans to international shipping.**

**13 March 2020;** Major lender to international shipping and one of Japan's largest asset managers, Sumitomo Mitsui Trust Bank (SMTB), announces today that it is the latest financial institution to join the Poseidon Principles. The Principles have been developed by international shipping banks, in collaboration with leading maritime industry players, to promote greener global shipping. They establish a common, global baseline to quantitatively assess and disclose whether financial institutions' ship lending portfolios are in line with decarbonization targets.

With SMTB's commitment, Signatories to the Poseidon Principles now represent over \$150 billion in loans to international shipping – more than a third of the global shipping finance portfolio.

*"Through becoming a signatory of the Poseidon Principles and as a member of the maritime cluster, SuMi TRUST Bank will continue to support its clients' business activities and to contribute to shape a better future for the shipping industry and our society,"* **Sumitomo Mitsui Trust Bank says in a [statement](#).**

*"Financial institutions play an important role in promoting maritime shipping's transition to a low carbon economy. SMTB is leading by example by becoming the first Asian bank to sign on to the Poseidon Principles. Asia is a major center for ship finance, and the decision by SMTB will encourage other Japanese and Asian financial institutions to follow their lead in the coming months,"* says **Michael Parker, Chairman of Global Shipping Logistics & Offshore at Citi and Chair of the Poseidon Principles Association.**

18 financial institutions have joined the Poseidon Principles including **ABN Amro, Amsterdam Trade Bank, BNP Paribas, Bpifrance, Citi, Credit Agricole CIB, Credit Industriel et Commercial, Credit Suisse, Danish Ship Finance, Danske Bank, DNB, DVB, Export Credit Norway, ING, Nordea, Société Générale, Sparebanken Vest** and **Sumitomo Mitsui Trust Bank.**

The Poseidon Principles are the world's first sector-specific, self-governing climate alignment agreement amongst financial institutions. They establish a common framework to quantitatively assess and disclose whether financial institutions' lending portfolios are in line with climate goals set by U.N. maritime agency, the International Maritime Organization (IMO). The IMO's initial GHG strategy prescribes that international shipping must reduce its total annual greenhouse gas emissions by at least 50% of 2008 levels by 2050, whilst pursuing efforts towards phasing them out as soon as possible in this century.

The Poseidon Principles are intended to evolve over time to include other issues where the collective influence of financial institutions can help improve the contribution the maritime industry and its lenders can make to society. They are applicable to lenders, relevant lessors, and financial guarantors including export credit agencies. They are implemented in internal policies, procedures and standards and applied in all credit products secured by vessels that fall under the purview of the IMO.

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