

SMBC Group Sustainability Initiatives

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Sumitomo Mitsui Financial Group, Inc.

Corporate Sustainability Dept.

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Sustainability management organization

Improvement of corporate management framework

2020/4

Management philosophy revised /
Statement on Sustainability announced

SMBC Group
GREEN x GLOBE 2030

- Creating a future for people
and the earth with our
customers -

2021/4

Group CSuO established

2021/7

Sustainability Committee established

Sustainability at SMBC Group

SMBC Group Statement on Sustainability

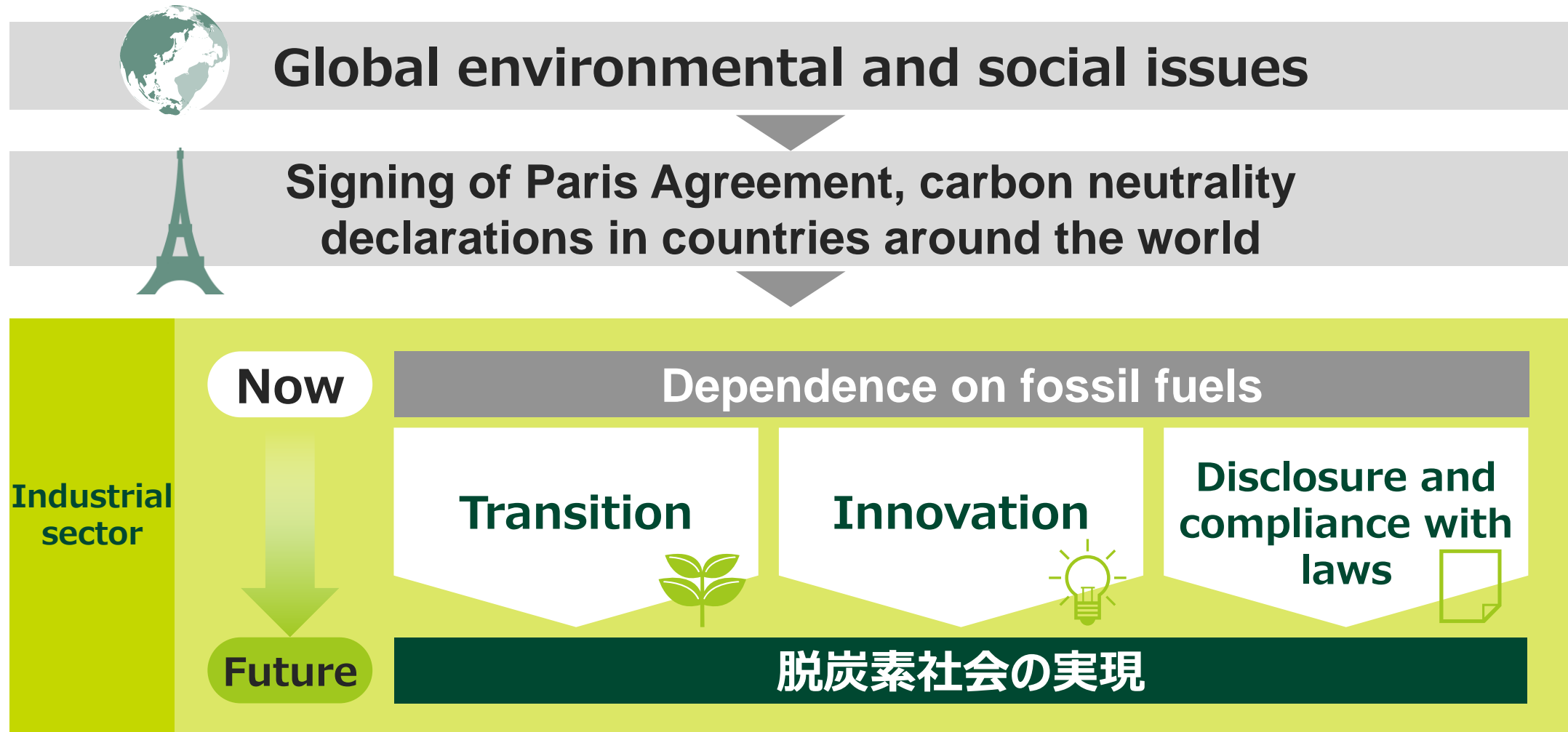
As a corporate group with roots in Mitsui and Sumitomo, we, the SMBC Group, inherit the will of sustainability that our predecessors valued, set the issues that we prioritize in society, and act toward the realization of sustainability.

Sustainability for the SMBC Group is defined as

“creating a society in which all of today’s generation can enjoy economic prosperity and well-being, and passing it on to future generations.”

Accelerating trend toward tackling climate change issues

The decarbonization drive is gathering pace worldwide, spurred by developments such as the Paris Agreement and the inauguration of the Biden administration



Commitment to achieving net-zero emissions by 2050

Message from the CEO

SMBC Group commits to achieving net-zero emissions from its entire investment and loan portfolio(*) by FY2050

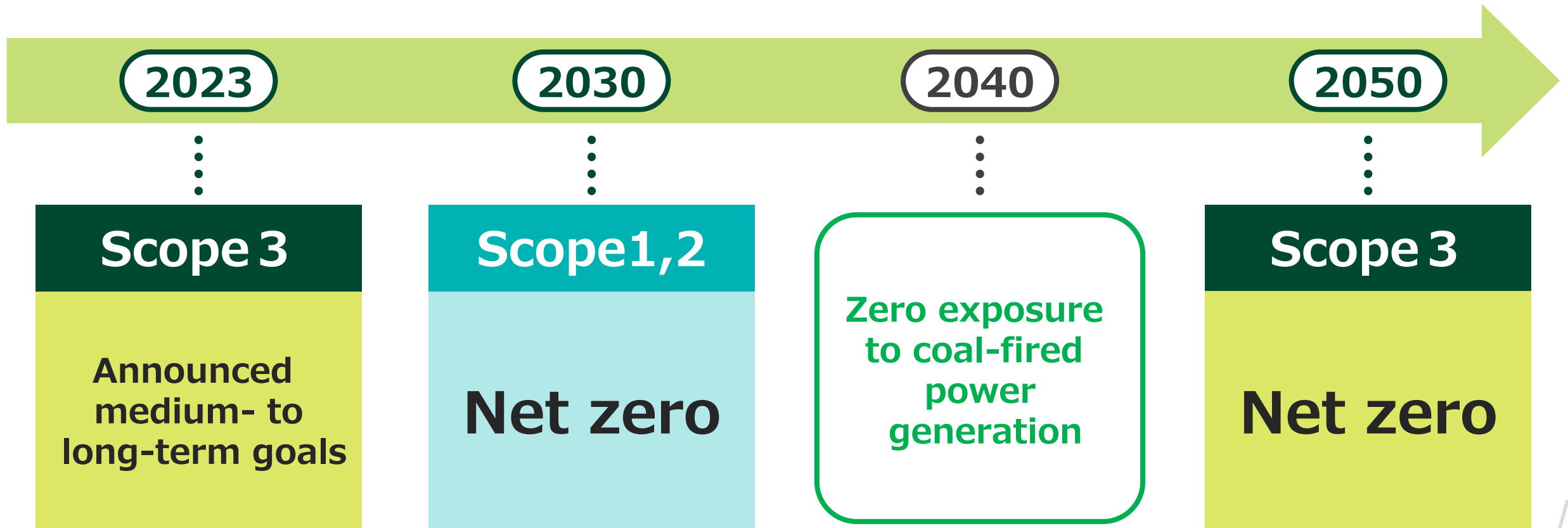
(*) Net-zero greenhouse gas emissions from the investment and loan portfolio

Source: SMBC Group TCFD Report 2021

Initiatives to tackle climate change issues

May 2021 We have published an Action Plan to guide us toward carbon neutrality in 2050

Aug 2021 We made a commitment to achieving net zero by 2050

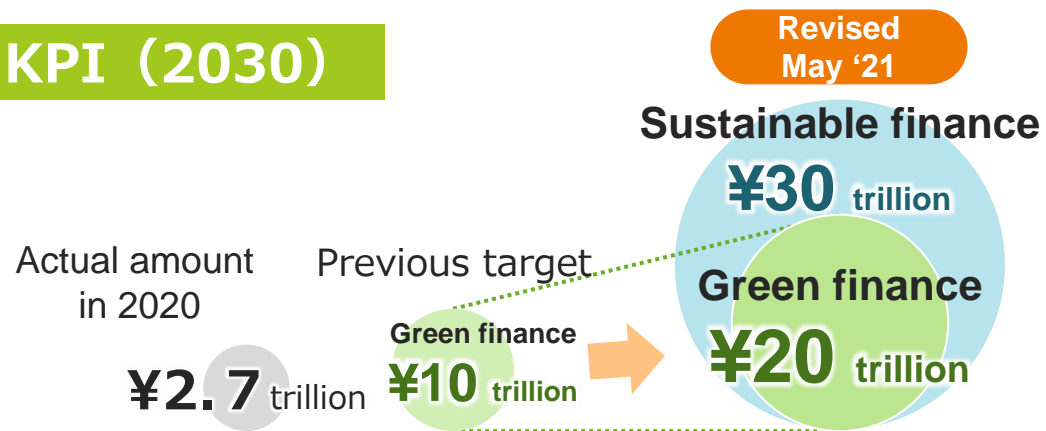


Support for transition through sustainable finance

Provide ¥30 trillion in sustainable finance transactions to assist customers in dealing with climate change and working on transition

Amount of sustainable finance provided

KPI (2030)



Global league table (amount of green loans provided)*1

	Financial institution	No. of transactions	US\$ (mn)
1	Credit Agricole	28	3,619
2	SMBC	19	2,810
3	BNP Paribas	16	2,681
4	MUFG	10	2,108
5	SG CIB	15	1,816

※1 Source : IJ Global (2020)

※2 International Capital Market Association

Transition finance



Mitsui O.S.K Line Transition finance

- Supported the deployment of two LNG fuel ferries
- Selected as a model case by the Ministry of Economy, Trade and Industry (METI)

First in Japan

Transition bonds



Cadent
Your Gas Network

Nippon Yusen Transition bonds

First in Japan

- Transition bonds compliant with ICMA*1 / METI Guidelines
- Selected as a model case by the Ministry of Economy, Trade and Industry (METI)

Cadent of the UK Transition bonds


First in UK

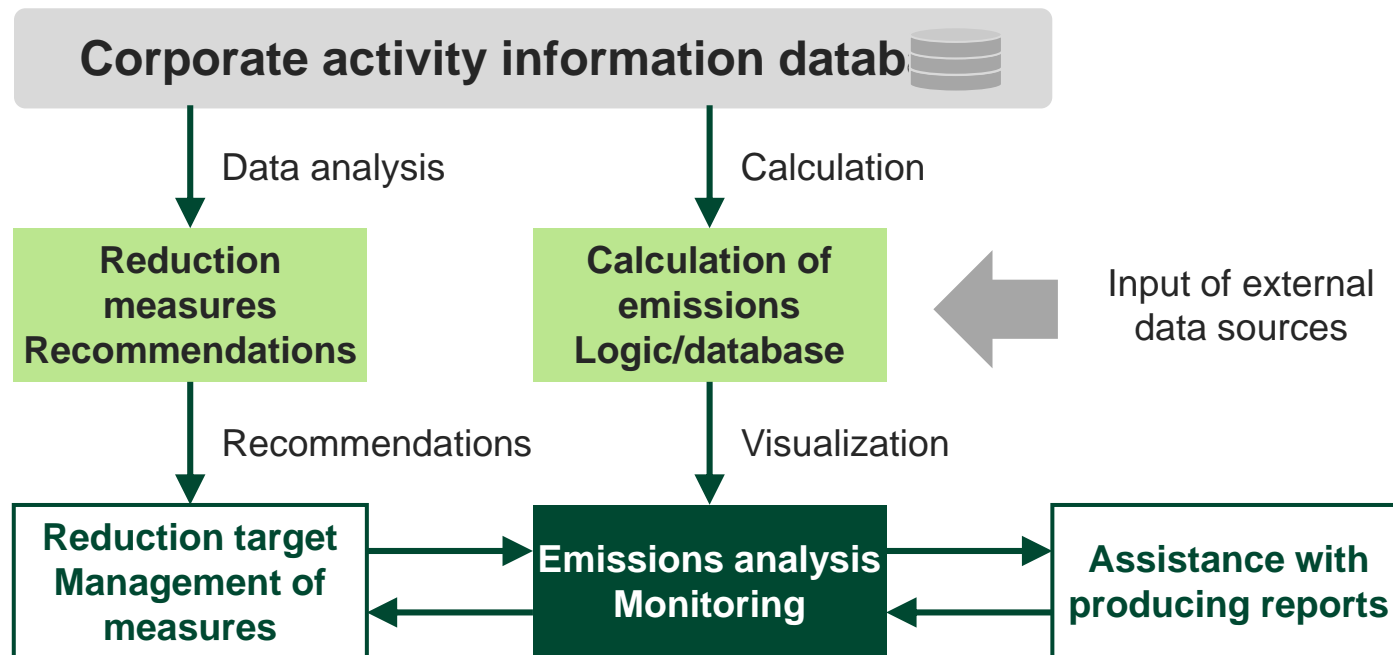
- Active bookrunner for UK's first ever transition bonds, issued by a major British gas wholesaler 6

Solutions that are both sustainable and digital

Provision of service that makes greenhouse gas emissions visible

<GHG emissions visualization service>

Sustainability + Analyze =  **Sustana**



Expression of support for GX League Basic Concept

On February 24, 2022, we signed up to the GX League(*) administered by METI

(*) Green transformation

Actions required of participating companies

1 Independent emissions reduction

Each company must independently set targets, take action, and publicly disclose information about its initiatives, to help limit the increase in temperature to 1.5°C

2 Initiatives to achieve carbon neutrality in the supply chain

In addition to pursuing carbon neutrality itself, each company must proactively persuade entities in its supply chain to do so, with the aim of making its supply chain carbon neutral

3 Initiatives in the marketplace through products and services

Each company must be a driving force for market greening by, for example, proactively prioritizing the purchase of green products

