

【NEWS RELEASE】

April 13, 2020

Sumitomo Mitsui Financial Group, Inc.

“SMBC Group Statement on Sustainability” and “SMBC Group GREEN×GLOBE 2030”

TOKYO, April 13, 2020 --- Sumitomo Mitsui Financial Group, Inc. (President and Group CEO: Jun Ohta; our corporate group will hereinafter be referred to as “SMBC Group”) hereby announces the “SMBC Group Statement on Sustainability” and “SMBC Group GREEN×GLOBE 2030”.

1. Establishment of “SMBC Group Statement on Sustainability” (“Sustainability Statement”)

The world is currently facing a range of social issues, in particular, environmental issues are becoming extremely serious around the world. The public and private sectors have implemented various initiatives aimed at realizing a sustainable society. Growing interest being directed towards the SDGs (Sustainable Development Goals) set by the United Nations General Assembly in 2015 and ESG (environment, social, and governance) are some examples.

Given this backdrop, SMBC Group amended the Mission to include “We contribute to a sustainable society by addressing environmental and social issues” in order to clarify our commitment to further support the advancement of society.

Together with the above changes, we established the Sustainability Statement as the basic principle upon which SMBC Group’s efforts to realize a sustainable society will be based. We hereby declare that we will drive forward our efforts to make sustainability a reality.

2. Establishment of “SMBC Group GREEN×GLOBE 2030”**Key pillars of the plan**

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| <ol style="list-style-type: none">(1) Sustainability initiatives that are directed towards our customers/society.(2) Internal initiatives that contribute to Sustainability management.(3) Enhance engagement with investors. |
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SMBC Group has established “SMBC Group GREEN×GLOBE 2030”, a ten-year plan that extends to 2030 and is based upon the Sustainability Statement. “GREEN” represents SMBC Group’s corporate color and the environment while “GLOBE” represents the earth and a borderless world. The two terms are connected by “×” to show the plan’s potential being measured in terms of multiplication rather than mere addition. The plan’s basic concept is: “Create the future of the earth and humanity with our customers.”

“SMBC Group GREEN×GLOBE 2030” specifies initiatives that will be addressed by SMBC Group as a whole. This includes promotion of Green Finance* working with our customers to establish communities to address social issues, and providing financial literacy education. We have set long-term goals for

certain items and will disclose the progress of them through KPIs. For example, in order to take actions in solving environmental issues, a target of JPY 10 trillion has been set for Green Finance **to be achieved** by the end of FY2029.

Based on the Sustainability Statement, SMBC Group will engage and act together with customers and other stakeholders to contribute to the global transformation into a better society.

< Long-term goals within “ SMBC Group GREEN×GLOBE 2030 ” >

Key pillars of the plan	KPI and the society we aspire ten years from now through our initiatives
Sustainability initiatives that are directed towards our customers/society	<p>KPI : JPY 10 trillion of Green Finance (FY2020-FY2029)</p> <p>Reduce environmental load by providing Green Finance</p>
	<p>KPI : 1.5 million participants in financial education programs held by SMBC Group (FY2020-FY2029)</p> <p>More people educated about social issues and finance</p>
	<p>KPI : Publicly release a minimum of one report per year which is based on the results of social impact measurements that target social contribution activities</p> <p>Specify solutions against social issues by measuring the social impact of human and corporate activities</p>
Internal initiatives that contribute to Sustainability management	<p>KPI : Conduct surveys targeting front office personnel and customers to measure their awareness of SDGs and engagement levels regarding solving social issues (SDGs, etc.)</p> <p>Front office personnel having in depth engagement with customers toward the resolution of social issues such as SDGs</p>
	<p>KPI : Reduce CO2 emissions by 30% (FY2018 vs FY2029, SMBC)</p> <p>By setting targets, Sumitomo Mitsui Banking Corporation (“SMBC”) involves other companies on taking actions for CO2 reduction</p>

*The business which falls under “Green Project Categories” of the Green Bond Principles (GBP) defined by the International Capital Market Association (ICMA). This includes, for example, renewable energy and green buildings.

< SMBC Group Statement on Sustainability >

Throughout its 400-year history, SMBC Group has continuously upheld its commitment to sustainability. We hereby declare that we will drive forward our efforts to make sustainability a reality.

SMBC Group defines sustainability as “creating a society in which today’s generation can enjoy economic prosperity and well-being, and pass it on to future generations.”

< Priority Issues (Materiality) and Background >

For more than 400 years, we have consistently regarded sustainability as a cause fundamental to our business operations, and to this day it remains the foundation of our management.

The predecessor to Mitsui began as a kimono merchant in Edo (present-day Tokyo) in 1673, bringing innovation to the conventional business practices of that time and establishing a new business model which took root in the communities of the townspeople of Edo. Mitsui entered the currency exchange business in 1683 and became one of the industry leaders in the Edo period. As a bank since the Meiji era, Mitsui has been an important player in the financial infrastructure which has underpinned economic activity in Japan and the world for more than three centuries over many generations.

The predecessor to Sumitomo developed a highly advanced copper refining method for its time around 1600. As a result of this technological innovation, Japan was one of the world's leading copper producing countries for more than two centuries over many generations during the Edo period.

Sumitomo also noted environmental issues from early on. When a manager visited a company copper mine in 1894 and witnessed the devastation that was being inflicted on the mountains, he grieved and said that doing nothing about this would be unethical. Seeking to remedy the situation, the company resolved to undertake reforestation and provided abundant greenery for future generations and a safe and secure life for local communities.

Looking back across our history, we have been consistently dedicated to our priority issues, focusing especially on the “environment” as a corporate citizen that protects the green earth, as well as on “community” and “next generation” as a member of society. SMBC Group is an enterprise that has always taken social sustainability into account when managing its business.

< Understanding of the Present Situation and Our Role >

SMBC Group recognizes that society is presently facing immense challenges, and that urgent and bold actions and transformation are required to transition to a sustainable and resilient world. Based on this understanding, SMBC Group aims to realize Sustainable Development Goals (“SDGs”) as set forth by the United Nations for sustainable development and to resolve social issues. As a financial institution, we will engage and act together with customers and other stakeholders to contribute to the global transformation into a better society.

In particular, the environment is an irreplaceable asset shared between generations, and is the foundation of social sustainability. Once damaged, it is difficult to restore, and we recognize that innovation is essential to resolve environmental issues such as climate change. Today’s generation recognizes that it has a responsibility to bequeath the environment to future generations. Based on this recognition, SMBC Group supports the spirit of the Paris Agreement and will contribute to resolving environmental issues.

We hereby declare that we remain fully committed in our efforts to make sustainability a reality.