

【NEWS RELEASE】

July 17, 2020
Sumitomo Mitsui Financial Group, Inc.

Announcement Regarding the Establishment of a Capital and Business Alliance
Between SMBC Group and AIM

TOKYO, July 17 2020 --- Sumitomo Mitsui Financial Group, Inc. (President and CEO: Jun Ohta, hereinafter referred to as “SMBC Group”) announces the establishment of a capital and business alliance with Affirmative Investment Management Partners Limited (hereinafter referred to as “AIM”).

AIM is a UK-based asset management company specializing in impact bond investments, a market which is expanding immensely. Since its establishment in 2014, AIM’s vision has been to mobilise mainstream capital to address the major challenges the world faces. AIM’s focus is to manage fixed income portfolios on behalf of clients globally that generate positive environment and social impact without compromising financial return. AIM has deep expertise in the verification, reporting and management of impact bond portfolios. AIM vigorously promoted active engagement with issuers and produces Annual Impact reports for investors which report on the environmental, social and financial impact of each portfolio.

In April of this year, SMBC Group announced the "SMBC Group Statement on Sustainability", and as a plan to execute this goal, it formulated "SMBC Group GREEN×GLOBE 2030". Through the capital and business alliance, SMBC Group will receive support and wide-ranging advice from AIM to advance its ESG/SDGs related business, and focus on “promoting asset-light business on a global basis”, one of the priority strategies for SMBC Group, by providing high-quality ESG/SDGs fund products to the Japanese market.

1. Description of the Business Alliance
 - Provision of advice for the advancement of SMBC Group’s ESG/SDGs related business
 - Provision of advice related to ESG/SDGs financing to SMBC Group business partners (Provision of information to issuers by SMBC Nikko Securities Inc)
 - Provision of ESG/SDGs fund products to Japanese investors through Sumitomo Mitsui DS Asset Management Company, Limited
2. Overview of Investment
 - Maximum investment of 25 mil USD, owning 24.9% of total outstanding shares (common stock 3.9%, preferred stock 21.0%)

3. Overview of AIM

Company Name	Affirmative Investment Management Partners Limited
Offices	London (operational base), Melbourne, Washington, D.C.
Year of Establishment	2014
Main Business	Asset management, etc.
Most Recent Awards	<ul style="list-style-type: none"> • The ESG Investing Awards 2020 Best ESG Investment Fund: Green Bonds • The Environmental Finance Sustainable Investment Awards 2020 Best Sustainability Reporting by an Asset or Fund Manager, Medium and Small (fixed income) • The Environmental Finance Sustainable Investment Awards 2019 Best Fixed Income Firm Initiative for ESG Investment Process