

【NEWS RELEASE】

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Sumitomo Mitsui Banking Corporation

Launch of Private Placement Shogun Social Bonds and Private Placement Shogun Sustainability Bonds

TOKYO, July 28, 2021 --- Sumitomo Mitsui Banking Corporation (“SMBC,” President and Group CEO: Makoto Takashima) became the first Japanese bank to begin handling private placement shogun social bonds based on the Social Bond Principles published by the International Capital Market Association (“ICMA”) (※1) to support customer’s ESG (※2) and SDGs (※3) activities. SMBC also became the first Japanese bank begin handling private placement shogun sustainability bonds based on the Sustainability Bond Guidelines published by the ICMA. These initiatives are created based on “SMBC Group GREEN Innovator” announced on July 27, 2021.

A target of JPY 10 trillion was set for total green finance transactions to be executed from FY2020 to the end of FY2029 in “SMBC Group GREEN × GLOBE 2030,” a long-term plan announced by SMBC Group (including SMBC) in April 2020 aimed at supporting the realization of a sustainable society. However, as announced on May 12, 2021, SMBC Group has redefined target deals and increased the target amount. Specifically speaking, SMBC Group stated that it would: "Execute green finance and finance that contribute to realizing sustainability (※4) equivalent to JPY 30 trillion between FY2020 to FY2029 (of which JPY 20 trillion is green finance)." Going forward, SMBC Group will continue to actively provide support to customers in their efforts to resolve environmental and social issues.

Based on the SMBC Group Statement on Sustainability, SMBC will actively contribute to the achievement of sustainability by engaging in dialogue with customers and other stakeholders and acting together with them.

(※1) ICMA

The ICMA is a membership association established in Europe in 1968 and currently consists of approximately 600 members comprised mainly of financial institutions and law firms located in more than 62 countries around the world. The mission of the ICMA is to maintain the soundness of global bond markets and promote the realization of well-functioning, consistent cross-border bond markets so that sustainable economic growth and development projects have access to stable funding sources.

(※2) ESG

ESG stands for Environment, Social, and Governance. Each of these aspects are considered to be an important issue that requires consideration and responsibility when a corporation conducts its business activities.

(※3) SDGs

SDGs stands for Sustainable Development Goals. 17 goals of Agenda 2030, a global action plan covering the period up to 2030, were adopted by 193 UN member states at the UN General Assembly in September 2015. The 17 goals and 169 targets are for all countries and regions, both developing and developed, to achieve by the year 2030 so that we may realize a world in which no one is left behind with regards to issues such as poverty, equality, education, and the environment.

(※4) Finance that contributes to sustainability

Finance that contributes to sustainability includes financing for the purposes of supporting corporates transition to environmentally conscious business models and their social programs.