

## 【NEWS RELEASE】

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Sumitomo Mitsui Banking Corporation

Launch of a Digital Trade Platform “Marco Polo” Using Blockchain Technology in Japan

TOKYO, July XX, 2021 -- Sumitomo Mitsui Banking Corporation (“SMBC”, President and CEO: Makoto Takashima) has been striving to realize the digital transformation of trade finance after it began participating in the digital trade platform (“Marco Polo”) developed by Marco Polo Network Operations (Ireland) Limited (“Marco Polo Ltd”, CEO: Rob Barnes) (previously TradeIX Ltd.) in March 2018. SMBC is proud to announce the successful execution of the first trade accounts receivable discounting transaction on Marco Polo with a Japanese corporate client after the client became the first Japanese business corporation to conclude a Production License Agreement with Marco Polo Ltd.

Trade operations is a field in which complicated business processes involving the exchange of paper documents between multiple parties exists and efficiency improvement by way of digitization has been delayed, but due in part to the COVID-19 pandemic, momentum for customers to review their business processes through digital transformation is increasing. SMBC has been focusing on the digitization of trade operations using blockchain and has supported the development of Marco Polo after becoming the first Japanese bank to invest in Marco Polo Ltd in April 2021.

The cashing of export trade receivables by corporates who trade with overseas counterparties has been gaining popularity as an effective means of raising funds. However, compiling the necessary export documents and information can at times be a complex process and could thus limit the scope of trade transactions which clients were willing to subject to the above process. In contrast, a digital trade platform allows customers to streamline the required paperwork, allowing those customers to apply trade finance to trade transactions that had traditionally not been considered due to the complexity of the process.

SMBC has been engaging in preparations to execute an actual transaction using Marco Polo since the success of the platform’s Proof of Concept in January 2019. SMBC will leverage the experience it has gained in executing the first trade finance transaction with a Japanese business corporation on Marco Polo as a steppingstone to develop a framework that offers customers consistent access to an efficient trade finance process, coordinate with digital trade finance platforms that are spreading throughout the world and their users, support customers’ digital transformation, and engage in other efforts to further enhance the quality of its solutions as customers face a rapidly changing business environment.