

【NEWS RELEASE】

December 22, 2022

Sumitomo Mitsui Banking Corporation

Investment in The Reforestation Fund

TOKYO, December 22, 2022 --- Sumitomo Mitsui Banking Corporation (SMBC, President and CEO: Makoto Takashima) announced an investment agreement with The Reforestation Fund (“TRF”) which focuses on reforestation in South America. This is the first investment in a forestry related fund for SMBC.

TRF is managed by BTG Pactual Timberland Investment Group, LLC which is one of the world’s oldest and largest timberland investment managers. TRF will plant trees on degraded land for timber production and restoration of natural forests. It will manage forests sustainably and appropriately with advices from Conservation International (*1), an environmental NGO, in terms of transparency, accountability and impact as well as by obtaining global certification such as FSC.

Amount of CO2 absorbed from reforestation activities will be certified as carbon removal credits in accordance with internationally recognized standards. With the global trend to accelerate decarbonization since the Paris Agreement, expectation for the role of carbon credits is increasing in addition to companies’ own efforts to reduce their GHG emissions. SMBC will support the activities financially and provide our clients with such credits to contribute to the decarbonization of the society as a whole.

Under the name of “SMBC Group GREEN Innovator (*2)”, we will conserve and enhance natural capital through TRF, and will actively contribute to the transition to and realization of a decarbonized, resilient society.

(*1) Conservation International: global environmental organization conducting environmental conservation activities for natural ecosystem.

(*2) SMBC Group GREEN Innovator: a label SMBC Group use to collectively refer to our initiatives to develop and provide sustainability-related solutions/services and expand our knowledge regarding the matter.