

Sumitomo Mitsui Financial Group USD500,000,000 2.472% Senior Notes due 2029

**Management Assertion regarding Proceeds allocated to Eligible Green Projects**

Sumitomo Mitsui Financial Group (“SMFG”) is responsible for the completeness, accuracy and validity of use of proceeds statement for SMFG USD500,000,000 2.472% Senior Notes due 2029 as of Mar.31 2022 set forth in Appendix A. SMFG management asserts that the net proceeds of the notes were fully distributed to the Eligible Green Projects or held in overnight or short-term financial instrument in accordance with the criteria set forth in Appendix B.

**Sumitomo Mitsui Financial Group, Inc.**

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**Title:** President and Group Chief Executive Officer

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# Use of Proceeds Statement for each Issuance 1/1

Appendix A

## 2022/01/14 SMFG Green Bond USD500mn

### Net Proceeds from Note Issuance

- Sumitomo Mitsui Financial Group USD500,000,000 2.472% Senior Notes due 2029

USD 500mn

### Use of Proceeds as of Mar. 2022

Category	Sub-Category	Loan Agreement Date	Currency	Country	Capacity (MW)	Loan balance (EUR mn) <sup>*1</sup>	CO <sub>2</sub> Emissions Reduction (t-CO <sub>2</sub> )	
								(o/w SMBC Group Financed)
Renewable Energy	Wind Energy	2020/12	USD	USA	582	55	606,715	562,706
Renewable Energy	Wind Energy	2020/3	GBP	UK	630	40	471,849	30,543
Renewable Energy	Wind Energy	2020/6	GBP	UK	1,140	27	984,480	28,788
Renewable Energy	Wind Energy	2020/5	GBP	UK	2,400	44	2,396,839	103,594
Renewable Energy	Wind Energy	2020/10	AUD	Australia	120	39	313,159	74,147
Renewable Energy	Solar Energy	2020/10	USD	USA	300	55	344,359	305,004
Renewable Energy	Solar Energy	2020/11	USD	Peru	40	24	24,697	21,131
Renewable Energy	Solar Energy	2020/12	USD	India	300	48	566,071	183,225
Renewable Energy	Solar Energy	2021/6	USD	Saudi Arabia	1,500	64	1,602,397	1,602,397
Renewable Energy	Solar Energy	2020/12	USD	UAE	1,500	23	1,487,133	44,007
Renewable Energy	Solar/Wind Energy	2021/3	USD	India	2,252	47	2,223,431	247,045
<b>Total</b>						465	11,021,130	3,202,585

**Net Proceeds from Note Issuance**

USD 500mn  
(EUR 447.37mn equiv.)<sup>\*1</sup>

**CO<sub>2</sub> avoidance per EUR1mn**



7,158.66 t-CO<sub>2</sub>

\*1 Translated into EUR at the exchange rates as of Mar. 22

Eligible Green Projects Criteria

“Eligible Green Project” will meet BOTH of the two conditions i) and ii) below.

i. A project is in one or more of the Project Categories (a) to (e) below

<b>a Renewable Energy</b>		The development, construction and operation of facilities that generate renewable energy, including	
		<b>solar energy</b>	
		<b>wind energy</b>	
		<b>geothermal energy (restricted to those with direct CO2 emissions of less than 100g CO2/kWh)</b>	
	<b>biomass energy power generation fueled by waste-derived materials or non-waste materials</b>	<ul style="list-style-type: none"><li>waste materials will be limited to residues from forestry and agriculture, residues of fishery resources (restricted to those from fishery and aquaculture companies that have obtained MSC (Marine Stewardship Council) or ASC (Aquaculture Stewardship Council) certification), waste from palm oil operations (limited to waste from palm oil suppliers that are certified by RSPO (Roundtable on Sustainable Palm Oil) or RSB (The Roundtable on Sustainable Biomaterials)), wastewater and sewage sludge (excluding those derived from fossil fuel mining and processing processes).</li></ul>	

		<ul style="list-style-type: none"><li>• Non-waste materials are restricted to sustainable feedstock not competing with food production with lifecycle GHG emissions of less than 100g CO<sub>2</sub>e/kWh. For the projects that use wood and wood pellets, the feedstock will be limited to those provided by wood suppliers or power generators certified by the Forest Stewardship Council (FSC) or PEFC (Programme for the Endorsement of Forest Certification). Non-waste materials exclude palm oil, peat, uncertified materials, or materials sourced from unknown suppliers.</li></ul>
	<p><b>small run-of-river hydro facilities (generation capacity of 25 megawatts or less). In a new development/construction project, SMBC Group will confirm that there is no significant negative impact on the environment and society by conduction environmental and social impact assessments.</b></p>	

**b Energy Efficiency**



Energy-conservation equipment, including, but not limited to, LED lighting, efficient HVAC (heating, ventilating, and air conditioning), building insulation and energy demand control systems which improve energy efficiency. Projects that meet category (c) below are excluded from this category (b) in order to avoid double counting.

**c Green Buildings**



New building acquisition, development, and construction or existing building retrofits which meet regional, national or internationally recognized third-party verified green building certifications, such as “LEED” (Leadership in Energy and Environmental Design), “BREEAM” (Building Research Establishment Environmental Assessment Methodology) or “CASBEE” (Comprehensive Assessment System for Built Environment Efficiency) to a level of at least “LEED Gold”, at least “BREEAM Excellent” or at least “CASBEE A Level”. In terms of refurbishment/retrofit of existing buildings, the proceeds will be allocated to assets/projects that aim to achieve a 20% improvement in energy efficiency and/or 20% reduction in GHG emissions.

**d Clean Transportation**



Expenditure that supports the shift to clean energy vehicles (development, manufacture, or purchase of non-fossil fuel based vehicles, including electric vehicles, fuel cell vehicles, and acquisition, development, operation, and maintenance of supporting infrastructure) and the development, operation and upgrade of public transportation facilities (including improvement to rail transport, bicycles and other non-motorised transport). Railway vehicles are limited to ones that use electricity as its power sources or that meet the threshold for direct CO<sub>2</sub> emissions (less than 50g CO<sub>2</sub>/km per passenger or less than 25g CO<sub>2</sub>/km per ton of cargo). The development, operation and upgrade of rail transport infrastructure is restricted to railways that meet the eligibility criteria above.

**e Pollution Prevention & Control**



Projects related to development, construction and operation of waste recycling and waste to energy. Waste recycle excludes chemical recycling of plastic. In the case of electronic waste recycling, the projects are limited to implement robust waste management processes to mitigate associated environmental and social risks, in accordance with local laws and regulations of a country where projects are located. For Waste to energy project, SMBC Group ensures the segregation of waste, separating majority of recyclables such as plastic and metal from other materials in the process of waste recycling as well as in the production of feedstock for waste to energy.

- ii. An existing or new project which SMBC has agreed to lend (a) during the 24 months prior to the relevant issue date of a Green Bond or (b) after the issue date of a Green Bond but before the relevant maturity date of such Bond.

## **Exclusion Criteria**

For clarification purposes, the following sectors and activity types are excluded from the Green Bond Framework: fossil fuel based assets, fossil fuel based transportation / infrastructure and transportation with the main objective of transporting fossil fuel, defense and security, palm oil, wood pulp, nuclear power generation, coal-fired power generation as well as all mining and tobacco sectors.