

UN
environment
programme



finance
initiative

Principles for
Responsible Banking

Responsible Banking Progress Statement for PRB Signatories



Summary

[Sumitomo Mitsui Financial Group, Inc.] FY2024

With the exception of the items listed below, there have been no changes since the September 2023 report.

Principle 1: Alignment	Principle 2: Impact & Target Setting
<p>Content</p> <ul style="list-style-type: none">Sumitomo Mitsui Financial Group (hereinafter, "SMFG") is a global financial group with its main base in Japan. SMFG is engaged in a wide range of businesses, including banking, leasing, credit cards, securities, and consumer finance.For further details on the SMBC Group's business model, please see pages 26 to 28 and 70 to 89 of the Integrated Report.For more information about SMFG's approach to sustainability, please see pages 17 to 21 of the Sustainability Report 2024.SMBC Group aims to create social value in order to solve social issues while achieving economic growth, and make people living in such a society feel happy, or in other words, contribute to growth for happiness.	<p>Content</p> <ul style="list-style-type: none">We see "climate change" and "financial health" as priority impact areas.<u>Climate change</u>: The KPI is "Executing a total of 50 trillion yen in sustainable finance from FY2020 to FY2029," and the cumulative total to FY2023 is 24 trillion yen. For details on other indicators and targets, please see pages 107 to 114 of the Sustainability Report.<u>Healthy & inclusive economies</u>: The KPI is "providing financial and economic education to a total of 1.5 million people from FY2020 to FY2029," with 870,000 people already reached by FY2023. For details, please see page 27 of the Impact Report 2024.In addition, to demonstrate the results of SMBC Group's initiatives for social value creation using "impact," we published the "Impact Report 2024 –Social Value Creation of SMBC Group" in August 2024.
<p>Links & references [References indicating where additional information can be found in external reporting. Include links and page numbers,]</p> <p>SMFG Website: SMBC GROUP ANNUAL REPORT 2024</p> <p>SMFG Website: SMBC Group Sustainability Report2024</p>	<p>Links & references [References indicating where additional information can be found in external reporting. Include links and page numbers,]</p> <p>SMFG Website: Impact Report 2024: Social Value Creation of SMBC Group</p> <p>SMFG Website: SMBC Group Sustainability Report2024</p>

<p>Principle 3: Clients & Customers</p>	<p>Principle 4: Stakeholders</p>
<p>Content</p> <ul style="list-style-type: none"> From FY2024, Sumitomo Mitsui Banking Corporation implemented the “Environmental and Social Due Diligence” to enhance risk management and engage with customers by understanding and evaluating their environmental and social initiatives as well as their risk mitigation measures. For more information on our engagement with customers on climate change, please see pages 33 to 34 of the Sustainability Report 2024. We have added projects that are recognized to involve child labor, forced labor, or human trafficking to our “Cross-Sectoral and Cross-Business Policies.” In May 2023, we published the “Transition Finance Playbook” (revised in May 2024), which provides definitions and judgment criteria for transition finance. In November 2024, we published the “Transition Finance Scorebook 2024,” which summarizes key lessons, identified challenges, and action proposals derived from stakeholder dialogues based on this Playbook. 	<p>Content</p> <ul style="list-style-type: none"> The SMBC Group engages with a wide range of stakeholders, including customers, investors, NGOs, employees, local communities, and international initiatives. For details of SMFG’s engagement strategy, please see the “Stakeholder Engagement” section of the SMFG website and page 29 of the Integrated Report. In April 2024, we established a new policy on biomass power generation. The policy was formulated based on dialogue with stakeholders and by taking environmental considerations and respect for human rights into account. For details of other dialogues related to the environment and human rights, please see pages 33 and 34 and 60 of the Sustainability Report.
<p>Links & references [References indicating where additional information can be found in external reporting. Include links and page numbers.]</p> <p>SMFG Website: Stakeholder Engagement</p> <p>SMFG Website: SMBC Group Sustainability Report2024</p> <p>SMFG Website: Transition Finance Playbook 2.0</p> <p>SMFG Website: Transition Finance Scorebook 2024</p>	<p>Links & references [References indicating where additional information can be found in external reporting. Include links and page numbers.]</p> <p>SMFG Website: Stakeholder Engagement</p> <p>SMFG Website: SMBC GROUP ANNUAL REPORT 2024</p> <p>SMFG Website: SMBC Group Sustainability Report2024</p>

<p>Principle 5: Governance & Culture</p>	<p>Principle 6: Transparency & Accountability</p>
<p>Content</p> <ul style="list-style-type: none"> • The SMBC Group’s sustainability management is promoted under the responsibility of the CxOs, including the CEO, and is operated under a robust governance system, with oversight provided by the Board of Directors. • As of FY2024, SMFG has established the “Sustainability Division for Fulfilled Growth” to consolidate functions and knowledge on a group basis, and is engaged in planning and promotion in relation to both corporate and business aspects. • To put the governance system for sustainability into action, we held study sessions and roundtables for management in FY2023. For details, please see page 103 of the Sustainability Report 2024. 	<p>Content</p> <ul style="list-style-type: none"> • This report has not been subject to third-party assurance.
<p>Links & references [References indicating where additional information can be found in external reporting. Include links and page numbers,]</p> <p>SMFG Website: SMBC Group Sustainability Report2024</p> <p>SMFG Website: SMBC GROUP ANNUAL REPORT 2024</p>	<p>Links & references [References indicating where additional information can be found in external reporting. Include links and page numbers,]</p>