

An S&P Global Ratings Post-Issuance Review (PIR) includes S&P Global Ratings' assessment of an Issuer's post-issuance sustainable financing reporting, where proceeds are allocated to environmental and/or social use-of-proceeds projects. A PIR provides a point-in-time opinion, reflecting the information provided to us at the time the PIR was created and published, and is not surveilled. We assume no obligation to update or supplement the PIR to reflect any facts or circumstances that may come to our attention in the future. A PIR is not a second party opinion (SPO) on pre-issuance financing, or a comment on the alignment of allocations with third-party published sustainable finance principles. A PIR is not a credit rating, and does not consider credit quality or factor into our credit ratings. See [Analytical Approach: Sustainable Financing Post-Issuance Reviews](#).

Post-Issuance Review: Allocation And Impact Reporting

Sumitomo Mitsui Financial Group Inc. / Sumitomo Mitsui Banking Corp.'s Allocation And Impact Report

June 29, 2026

Assessment Summary

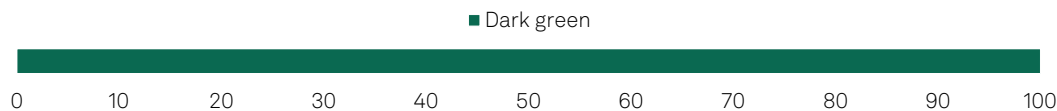
Consistency Opinion [\(jump to section\)](#)

✓ Allocations are consistent with pre-issuance commitments.

Allocation Analysis [\(jump to section\)](#)

As of Dec. 31, 2025, all allocations are within the green finance framework's renewable energy category of wind or photovoltaic (PV) projects across global regions. The allocations are consistent with the Dark Green shade assigned to the wind and solar energy projects at pre-issuance.

Environmental: Allocations to projects on Dec. 31, 2025 (% of allocation per shade)



Reporting Quality Assessment [\(jump to section\)](#)

✓ The report meets the requirements for allocation and impact reporting contained in the Green Bond Principles and the Green Loan Principles, and the firm's commitments in its green finance framework relating to allocation and impact reporting.

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[Read Second Party Opinion >](#)

Issuer's green finance framework, originally published in October 2022, obtained a Dark green shade in June 2026.

Strengths

Sumitomo Mitsui Financial Group Inc. (SMFG) and Sumitomo Mitsui Banking Corp. (SMBC) have routed funding to projects that contribute to the decarbonization of the power sector globally, including in Japan. In the past years, the group has steadily allocated proceeds to renewable energy assets across development, construction, commissioning, and operation, totaling 18.3 gigawatt peak (GWp) of financed project capacity.

Weaknesses

No weaknesses to report.

Areas to watch

No areas to watch to report.

Issuer Description

Location: Japan

Sector: Bank

Headquartered in Tokyo, SMFG is the holding company of SMBC, which is the group's main operating bank. SMFG had gross profit of ¥4.84 trillion (US\$30.3 billion) in fiscal 2025 (ended March 31, 2026). SMBC operates through a network of 455 domestic branches and 143 overseas offices. SMFG/SMBC published a green finance framework in October 2022, with a second party opinion from S&P Global Ratings.

Consistency Opinion

This section provides our opinion on the consistency of allocations described in the report with the issuers' commitments made at pre-issuance.

Relevant issuances and loans

Type	Identifier	Entity	Date	Maturity	Amount issued (Currency)	Amount allocated
Bond	US86562MCN83	SMFG	Jan. 14, 2022	Jan. 14, 2029	500 (Mil. US\$)	100%
Bond	XS2564925555	SMBC	Dec. 22, 2022	Dec. 22, 2027	150 (Mil. US\$)	100%
Bond	XS2564925803	SMBC	Dec. 22, 2022	Dec. 22, 2027	52 (Mil. AU\$)	100%
Bond	XS2666415166	SMBC	Aug. 30, 2023	Sep. 1, 2026	507 (Mil. US\$)	100%
Bond	XS2666415240	SMBC	Aug. 30, 2023	Sep. 1, 2026	60 (Mil. AU\$)	100%
Bond	XS2903312002	SMFG	Oct. 7, 2024	Oct. 7, 2031	500 (Mil. EU€)	100%
Loan	N.A.	SMFG	December 2022	December 2030	100 (Mil. US\$)	100%
Loan	N.A.	SMFG	December 2022	December 2037	80 (Mil. US\$)	100%
Loan	N.A.	SMFG	May 2023	May 2031	100 (Mil. US\$)	100%

N.A.—Not applicable. Sources: 2025 Green Bond Annual Investor Report, 2025 Green Loan Annual Investor Report, S&P Global Ratings.

✓ Allocation consistency with pre-issuance commitments

Allocations to environmental projects are consistent with the issuers' pre-issuance commitments.

Allocation Analysis

This section provides information on the allocation of proceeds, incorporating the conclusions that led to our consistency opinion.

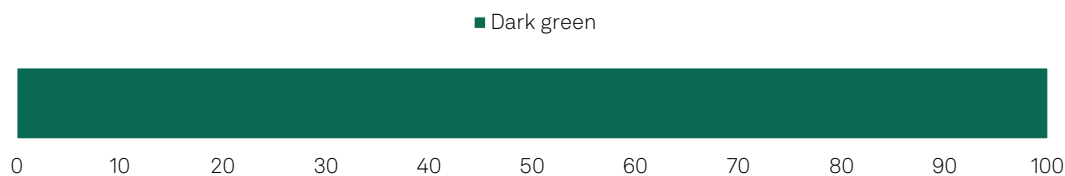
Environmental projects

- As of Dec. 31, 2025, SMFG/SMBC have fully allocated the net proceeds from the bonds and loans to wind and solar projects.
- The total initial allocation of funds was US\$2.1 billion (87% bonds, 13% loans) across 18 wind projects, 10 solar projects, and three wind-solar hybrid projects in 10 countries (Japan, Australia, the U.K., and other countries). As of Dec. 31, 2025, out of the total capacity of 18.3 GWp, 81% (unchanged from 2024) of the projects were operational and the rest were still under construction.
- While the overall portfolio supports power-sector decarbonization across multiple jurisdictions, SMFG/SMBC's allocations in Japan contribute to the country's 2040 renewable energy generation target of 440 terawatt-hours (tWh) (compared with generation of 228 tWh in fiscal 2024 and capacity of 324 GW at the end of the fiscal year).
- SMFG/SMBC have analyzed customers' dependencies and impacts on natural capital by sector, in line with the LEAP approach. To manage these factors, the group restricts or prohibits financing or investment for certain activities and projects that can cause severe adverse impacts on the environment and biodiversity. It also requires individual project risk assessments. The group has also developed a natural capital heatmap targeting priority sectors to clarify related business risks and strategic opportunities.

Shades of Green

- Allocations to wind and solar projects contribute to the systemic decarbonization of the power industry and represent Dark green investments as a result.

Environmental allocations as of Dec. 31, 2025 (% of allocation per shade)



Source: S&P Global Ratings.

Reporting Quality Assessment

This section provides an opinion on the quality of the issuers' post-issuance allocation and impact reporting.

✓ Alignment with reporting requirements

The report aligns with the requirements for allocation and impact reporting contained in the Green Bond Principles and the Green Loan Principles.

Additional reporting considerations

Comprehensiveness of allocation reporting

- Allocation reporting is generally concise and comprehensive, with meaningful information on the wind and solar projects (e.g. their location, allocation amount and installed capacity).
- The report does not specify the financing and refinancing amounts. Instead, the issuers disclose project-level information, including loan agreement dates, allocation amounts, locations, technologies, capacities, and maturities of the relevant issuances and loans.

Linking allocations and issuer level sustainability performance, targets, and strategy

- The group does not present its allocation reporting in the context of its corporate sustainability targets.
- For example, the allocation of US\$2.1 billion represents 0.7% of SMFG/SMBC's 10-year, ¥50 trillion sustainable finance goal for the decade ending in fiscal 2029. Labeled bonds and loans by the group represent a limited portion of its broader sustainable finance targets. Its sustainable financing has already reached ¥34 trillion as of end-fiscal 2024.













Relevance and materiality of metrics

- The selected metrics are relevant. They include: (i) commissioned capacity; (ii) renewable energy generation; and (iii) reduced CO₂ emissions.
- Capacity, generation, and reduced emissions are common metrics for renewable energy.

Transparency on methodology and assumptions

- The report discloses the calculation methodology and assumptions used by Japan Research Institute, adding transparency on the funded projects' impact. Reduced emissions are calculated based on actual and estimated generation and the International Energy Agency's baseline emission factor for each location. SMFG/SMBC used the same methodology to calculate reduced emissions in previous reports. This allows for comparability of results.
- Incorporating lifecycle emissions information for the funded projects could be a useful indicator to provide a more comprehensive view of their carbon impact.

S&P Global Ratings' Shades of Green

Assessments					
 Dark green	 Medium green	 Light green	 Yellow	 Orange	 Red
Description					
Activities that correspond to the long-term vision of an LCCR future.	Activities that represent significant steps towards an LCCR future but will require further improvement to be long-term LCCR solutions.	Activities representing transition steps in the near-term that avoid emissions lock-in but do not represent long-term LCCR solutions.	Activities that do not have a material impact on the transition to an LCCR future, or, Activities that have some potential inconsistency with the transition to an LCCR future, albeit tempered by existing transition measures.	Activities that are not currently consistent with the transition to an LCCR future. These include activities with moderate potential for emissions lock-in and risk of stranded assets.	Activities that are inconsistent with, and likely to impede, the transition required to achieve the long-term LCCR future. These activities have the highest emissions intensity, with the most potential for emissions lock-in and risk of stranded assets.
Example projects					
 Wind power	 Certified forestry	 New energy efficient buildings	 Fossil fuel buses	 Conventional steel production	 Oil and gas exploration

Note: For us to consider use of proceeds aligned with ICMA Principles for a green project, we require project categories directly funded by the financing to be assigned one of the three green Shades.

LCCR--Low-carbon climate resilient. An LCCR future is a future aligned with the Paris Agreement; where the global average temperature increase is held below 2 degrees Celsius (2 C), with efforts to limit it to 1.5 C, above pre-industrial levels, while building resilience to the adverse impact of climate change and achieving sustainable outcomes across both climate and non-climate environmental objectives. Long term and near term--For the purpose of this analysis, we consider the long term to be beyond the middle of the 21st century and the near term to be within the next decade. Emissions lock-in--Where an activity delays or prevents the transition to low-carbon alternatives by perpetuating assets or processes (often fossil fuel use and its corresponding greenhouse gas emissions) that are not aligned with, or cannot adapt to, an LCCR future. Stranded assets--Assets that have suffered from unanticipated or premature write-downs, devaluations, or conversion to liabilities (as defined by the University of Oxford).

Related Research

- [Analytical Approach: Sustainable Financing Post-Issuance Reviews](#), June 30, 2025
- [FAQ: Applying Our Analytical Approach for Post Issuance-Reviews](#), June 30, 2025

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