

## 【NEWS RELEASE】

October 18, 2021  
Sumitomo Mitsui Financial Group

Participation in the “Net-Zero Banking Alliance” and Other Global Initiatives

TOKYO, October 18 --- Sumitomo Mitsui Financial Group (President and Group CEO: Jun Ohta, hereinafter, the group is collectively referred to as “SMBC Group”) hereby announces its participation in the Net-Zero Banking Alliance (\*1, “NZBA”) in accord with our public commitment to achieve net zero emissions across our overall investment and loan portfolio by 2050. Furthermore, we joined the Taskforce on Scaling Voluntary Carbon Markets (\*2, “TSVCM”) and Partnership for Carbon Accounting Financials (\*3, “PCAF”) as well, to advance our initiatives against climate change both business wise and risk management wise.

In May 2021, SMBC Group announced the “Roadmap Addressing Climate Change”, a long-term action plan to promote reduction of greenhouse gas (“GHG”) emissions in line with the goals of the Paris Agreement, and the “Action Plan STEP1”, detailed initiatives addressing climate change during our current Medium-Term Management Plan. Moreover, in August 2021, we announced our commitment to achieve net zero emissions across our overall investment and loan portfolio by 2050, in addition to our commitment to achieve net zero emissions in our groupwide operation by 2030.

NZBA is a global alliance aiming to achieve net zero greenhouse gas emissions from investment and loan portfolios by 2050, through setting science-based medium-to long-term reduction targets and disclosing their progress. By joining NZBA, SMBC Group will accelerate its own initiative towards the achievement of our net zero target, and also lead the global drive for the realization of a decarbonized society by participating in discussions concerning climate change issues.

For the transition to a decarbonized society, investments to advanced technologies reducing GHG emissions is necessary. Therefore, a large scale, effective and efficient voluntary carbon market is demanded, supported by such technologies. TSVCM is a global initiative working on establishing the “Core Carbon Principles” for the expansion of high-quality carbon credits. SMBC Group will join the taskforce and contribute to scaling such high-integrity market by seeking business opportunities upon carbon credit trading, and also utilize such credit for the sake of our own net zero target.

Furthermore, by joining PCAF, a global initiative aiming to enable harmonized assessments and disclosures of GHG emissions financed by investments and loans, SMBC Group will not only enhance calculation and disclosure of its financed emissions but also contribute to the initiative’s activities, such as developing a global standard.

Based on our Statement on Sustainability, SMBC Group will actively contribute to the achievement of sustainability by engaging in dialogue with customers and other stakeholders and acting together with them.

(\*1) Net-Zero Banking Alliance

NZBA is a global alliance convened by the United Nations Environment Programme Finance Initiative (UNEP-FI), aiming to achieve net zero greenhouse gas (GHG) emissions from investment and loan portfolios by 2050, through setting science-based medium-to long-term reduction targets and disclosing the progress, launched in April 2021.

(\*2) Taskforce on Scaling Voluntary Carbon Markets

TSVCM, initiated by Mark Carney, UN Special Envoy for Climate Action and Finance, is a private sector-led initiative working to scale effective and efficient voluntary carbon markets and establish the “Core Carbon Principles” for the expansion of high-quality carbon credits, launched in September 2020.

(\*3) Partnership for Carbon Accounting Financials

PCAF is a collaboration between financial institutions worldwide to enable harmonized assessments and disclosures of GHG emissions financed by investments and loans, launched in December 2015.