Annual Report on Sumitomo Mitsui Banking Corporation (China) Limited's ESG Deposit for the period from 1 June 2025 to 31 May 2026

1. Introduction

Sumitomo Mitsui Banking Corporation (China) Limited ("SMBCCN" or "the Bank") has continuously upheld its commitment to the sustainability, and is determined to contribute to the sustainable development of the whole Chinese society by offering higher added value to 1) customers 2) shareholders and the market 3) society and the environment 4) employees.

So as to continuously promote SMBCCN's corporate social responsibility strategy and contribute to economic, social and environmental sustainability, in June 2022, SMBCCN launched ESG deposit products for its clients. The SMBCCN has established the *Sumitomo Mitsui Banking Corporation (China) Limited ESG Deposit Framework* (the "Framework") and *ESG Deposit Operational Procedures,* which defined the use of proceeds, eligible category evaluation and selection, management of proceeds and disclosure of the ESG deposit.

2. The four core components of the Framework

2.1 Use of Proceeds

The net proceeds were used exclusively for the financing and/or refinancing of eligible ESG loans/bonds that meet international or China domestic standards as specified in the Framework. Eligible ESG loans/bonds include, but not limited to:

Table 1. Eligible Category Criteria

Eligible Categories	Criteria Applied	
Green Loan	*Green Loan Principles 2021* *Green Loan Principles 2023* *Green Loan Principles 2025*	*International standard*
	Green Industry Guidance Catalogue 2019 *Green and Low-carbon Transformation Industry Guidance Catalogue (2024 Edition)*	*China domestic standard*

Eligible Categories	Criteria Applied	
	Catalogue of Green Finance Support Projects 2025	
Green Bond	*Green Bond Principles 2018* *Green Bond Principles 2021* *Green Bond Principles 2025*	*International standard*
	Catalogue of Green Bond Support Projects 2021 *China Green Bond Principles 2022* *Catalogue of Green Finance Support Projects 2025*	*China domestic standard*
Social Loan	*Social Loan Principles 2021* *Social Loan Principles 2023* *Social Loan Principles 2025*	*International standard*
Social Bond	*Social Bond Principles 2021* *Social Bond Principles 2023* *Social Bond Principles 2025*	*International standard*
Sustainability-linked Loan	*Sustainability-Linked Loan Principles 2021* *Sustainability-Linked Loan Principles 2023* *Sustainability-Linked Loan Principles 2025*	*International standard*
Sustainability-linked Bond	*Sustainability-Linked Bond Principles 2020* *Sustainability-Linked Bond Principles 2023* *Sustainability-Linked Bond Principles 2024*	*International standard*

Eligible Categories	Criteria Applied	
	Ten Questions and Ten Answers on Sustainability-Linked Bond	*China domestic standard*

In any case, the following categories will be excluded:

- Luxury services or goods related.
- Alcoholic beverages related projects.
- Production and trade of tobacco and tobacco products.
- Gambling and predatory lending enterprises related projects.
- Biofuels, biogas or biomass which utilize food crops as sources.
- Mining and quarrying related.
- Nuclear Energy and Nuclear Related.
- Weapons and ammunitions related.
- Unsustainable lumbering projects.
- Unsustainable fishery projects.

2.2 Eligible Category Evaluation and Selection

Referring to criteria of eligible categories as defined in the "Use of Proceeds" section of Framework, based on the project compliance documents, SMBCCN has conducted evaluation and selection of eligible categories.

SMBCCN has reviewed the eligible categories, and on a timely basis, made replacement as necessary to ensure the proceeds are allocated to eligible categories.

2.3 Management of Proceeds

SMBCCN has maintained a register to keep track of the use of proceeds for each ESG deposit. The register will contain the following information including but not limited to:

- Transaction information: ESG deposit issue amount, coupon, issue date and maturity date, etc.
- Proceeds allocation information: eligible categories, balance, Key Performance Indicators and Sustainability Performance Targets of the sustainability-linked loan/bond (if any), etc.

2.4 Disclosure

SMBCCN will make disclosure in relation to the allocation of the proceeds at least once a year so long as the ESG deposit remains outstanding. Also, SMBCCN will engage a qualified third party to conduct the post-issuance assurance.

3. Allocation of Proceeds

As of 31 May 2026, SMBCCN's total balance of eligible categories for ESG deposit issuance is approximately RMB 7,908.12 million.

As of 31 May 2026, the total proceeds raised by ESG Deposit amounting to RMB953.21 million have been fully allocated to Eligible Categories, and the proportion of total proceeds raised by ESG Deposit to total balance of eligible categories is 12.05%. No remaining balance of unallocated proceeds at the reporting period end.

SMBCCN has evaluated the eligible categories which the approximate total value remains in excess of the proceeds raised by ESG Deposit during the reporting period. Nominated eligible categories may evolve over time. The following is detailed information of the eligible categories.

Table 2. Eligible Categories

No.	Eligible Categories	Criteria Applied	Allocated Amount (RMB million)[1]	Proportion
1	Sustainability-linked Loan	- *Sustainability-Linked Loan Principles*	813.70	85.36%
2	Green Bond	- *Green Bond Principles*	94.15	9.88%
3	Green Loan	- *Green Loan Principles* - *Green Industry Guidance Catalogue 2019*	45.37	4.76%
Total		/	**953.21**	**100.00%**

Criteria Applied	Allocated Amount (RMB million)
International standard	953.21
China domestic standard	45.37
Both international and domestic standards	45.37

[1] The figures in the table are rounded; therefore, there may be discrepancies between the subtotals and the totals. This applies to subsequent tables as well.

The following sets forth certain information of sample eligible categories:

Example: A sustainability-linked loan

Borrower's Location	Borrower's Sector	Selection of Key Performance Indicator ("KPI")	Loan Characteristics	Reporting and Verification
China	Operating leasing of other machinery and equipment	- KPI 1: Annual disbursement amount for fair education financing leasing business - KPI 2: Annual disbursement amount for livestock breeding financing leasing business - KPI 3: Annual disbursement amount for small & micro enterprise financing leasing business	If the selected KPI1 and/or KPI2 and/or KPI3 reached the predefined Sustainability Performance Targets ("SPTs"), the interest rate for next year will be correspondingly reduced compared to the initial rate	Qualified third party has been engaged in order to verify the annual SPTs performance and issue/verify certificate

Example: A green loan

Borrower's Location	Borrower's Sector	Project	Environmental Impact
China	Automotive parts and accessories manufacturing	The second phase of the automotive core components research and manufacture project	The project is building a production line for energy-efficient motor and frequency convertor (4WD) with an annual production capacity of 125,800

Example: A green bond

Borrower's Location	Borrower's Sector	Project	Environmental Impact
China	Production and supply of tap water	Eligible green projects, particularly water supply projects, in accordance with the Green & Blue Finance Framework	Support the Borrower's commercial strategy and green and sustainable development vision, particularly those related to the environmental performance of the buildings, landscapes, and communities in which the Group and its

		issued by the Borrower	subsidiaries operate, as well as the health of their respective users

Sumitomo Mitsui Banking Corporation (China) Limited

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