

【NEWS RELEASE】

November 15, 2021
Sumitomo Mitsui Financial Group, Inc.

Participation in the newly established PCAF Japan coalition

Sumitomo Mitsui Financial Group (President and Group CEO: Jun Ohta, hereinafter, the group is collectively referred to as “SMBC Group”) has joined the newly established Japan coalition of the Partnership for Carbon Accounting Financials (PCAF). The coalition was launched by the six Japanese financial institutions currently participating in the global, industry-led PCAF initiative.

Since the adoption of the Paris Agreement in 2015, climate change initiatives have grown rapidly on a global scale. With the accelerating momentum toward achieving a low-carbon society and carbon neutrality by 2050, financial institutions are increasingly focusing on measuring and reducing greenhouse gas (GHG) emissions within their lending and investment portfolios.

PCAF develops methodologies to measure the GHG emissions of financial institutions’ lending and investment portfolios. As of November 2021, over 170 financial institutions globally in 48 countries have joined PCAF, including commercial banks, investment banks, insurance companies, and institutional investors.

The PCAF Japan coalition, with the support of PCAF Global, will promote the sharing of experience, knowledge, and issues among participating institutions and the financial sector. The collaboration will promote the adoption and expansion of the measurement and disclosure of GHG emissions from loans and investments by Japanese financial institutions.

In August 2021, SMBC Group announced a commitment to achieve net zero emissions across its overall investment and loan portfolio by 2050. To realize our net zero commitment, it is important for us to obtain a clear understanding of GHG emissions from our loans and investments portfolio. By joining PCAF Japan coalition, SMBC Group will enhance measurement and disclosure of its financed emissions and contribute to the progress of Japanese financial institution’s measurement and disclosure.

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.