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June 24, 2022

Significant risks to SMBC from East African Crude Oil Pipeline (EACOP) project

We, the undersigned, including shareholders of Sumitomo Mitsui Financial Group (“SMBC Group”), write to express our serious concerns with the reported role played by your subsidiary, Sumitomo Mitsui Banking Corporation (“SMBC”), in advising and arranging financing for the highly controversial East African Crude Oil Pipeline (EACOP) project. With this letter, we urge your Board to cease SMBC’s involvement in this large-scale fossil fuel project that will only worsen the global climate emergency.

As Board members of the SMBC Group, you are responsible for overseeing risk management processes and disclosures by your institution, and for ensuring that SMBC acts in compliance with applicable laws and corporate policies.¹ SMBC is reported to be advising the EACOP project operator TotalEnergies (Total)² and jointly arranging \$2~3 billion in debt financing for the project³ that will fund up to 60% of the total project costs.⁴ This reported involvement is in addition to SMBC’s issuance of \$2.2 billion in fossil fuel-related loans to Total between 2017-21, including several loans with maturity dates of 2024 and beyond.⁵ As outlined below, supporting EACOP, a major fossil fuel expansion project, contravenes your Group’s stated environmental

¹ [Japan's Corporate Governance Code](#) (June 11, 2021), “Principle 4.3 Roles and Responsibilities of the Board (3)” (Noting “the board should engage in oversight activities in order to ensure timely and accurate information disclosure, and should establish appropriate internal control and risk management systems”); SMBC Group, [Statement on Human Rights](#) (last visited June 3, 2022) (“The Board of Directors maintains oversight over SMBC Group’s human rights related activities and receives regular reporting on these efforts.”).

² [Pipe dreams: Inside the Uganda - Tanzania oil pipeline talks](#), The Citizen (March 18, 2019); [Uganda to raise Shs300b for crude oil pipeline](#), Monitor (December 11, 2017, updated February 1, 2021).

³ [Stanbic sees June 2019 close for \\$2.5 bln debt deal for Uganda's oil pipeline](#), Reuters (November 21, 2018).

⁴ According to statements made by Total and Uganda’s Ministry of Energy and Mineral Development in 2021, the overall financing required for the EACOP is projected to be US\$ 5 billion, to be financed with a debt-to-equity ratio of 60:40. For the debt component, the project sponsors have been seeking a project finance loan of US\$3 billion, with the remaining US\$ 2 billion being provided by the project’s shareholders. This financing requirement was reported by Total in its [response to questions at its May 2021 AGM](#) (p.37), and the ratio was confirmed in a [statement to Uganda's parliament](#) on April 28, 2021. According to Total’s [statements at its most recent AGM in 2022](#), the debt amount appears to have been revised to “\$2-3 billion.”

⁵ BankTrack, Indigenous Environmental Network, Oil Change International, Rainforest Action Network, ReClaim Finance, Sierra Club, Urgewald, [Banking on Climate Chaos: Fossil Fuel Finance Report 2022](#) (March 2022). Loan totals referenced above are based on financing data acquired from the Bloomberg Terminal using the league table (LEAG) function, which aggregates lending and underwriting led by a given bank. For more information, see the [Methodology](#) explanation of the Banking on Climate Chaos report.

and social policies and commitments, particularly on human rights, climate change, and the protection of Ramsar-designated wetlands.⁶ To the extent that SMBC's involvement in the project has contributed, or will contribute, to the project's adverse human rights impacts, including those resulting from the project's foreseeable climate consequences, it may be inconsistent with international human rights standards and contrary to applicable law.⁷ Neglecting or misrepresenting these inconsistencies or otherwise presenting support for EACOP as compatible with the Group's public commitments on climate, environment, and human rights could constitute greenwashing.

The reported role played by SMBC in the EACOP project exposes SMBC Group to significant reputational and financial risks. Moreover, a failure to assess and manage the foreseeable risks posed by EACOP and its actual or foreseeable adverse impacts, described below and in the accompanying backgrounder, could give rise to potential legal liability for SMBC Group or SMBC as well as potential liability for Group Board members for breach of fiduciary duties. We therefore urge you to promptly examine and disclose the risks associated with any SMBC support for the project to date; cease any ongoing contributions and prevent any future contributions to foreseeable, adverse human rights impacts from the project and mitigate those that have occurred to date; and ultimately withdraw or refrain from any involvement in EACOP. A more detailed set of recommendations are provided at the end of this letter.

EACOP poses significant environmental, social and governance (ESG) risks. EACOP is a proposed 1,443 km crude oil pipeline from Hoima, Uganda, to the port of Tanga in Tanzania. If completed, it would be the longest heated crude oil pipeline in the world. As outlined in the accompanying backgrounder on ESG Risks (and the materials cited therein), numerous publications document reported human rights impacts due to the pipeline project and associated oil development projects (Tilenga and Kingfisher), and foreseeable risks to people, nature, and the climate.⁸ Reported impacts and risks include:

- physical and economic displacement of project-affected people, without adequate consultation and compensation, threatening their incomes and livelihoods;

⁶ SMBC Group, [SMBC Group Environmental and Social Framework](#). The signatories of this letter recognize SMBC Group's public position on this matter, available at [Sumitomo Mitsui Financial Group responds to alleged link to EACOP project](#), Business and Human Rights Resource Centre (October 25, 2021).

⁷ On the connection between climate change and international human rights, and the corresponding responsibilities of corporations, see Amnesty International, [Stop Burning Our Rights! What Governments and Corporations Must Do to Protect Humanity from the Climate Crisis](#) (2021), p. 19, 125-129.

⁸ See Center for International Environmental Law, StopEACOP, and Oil Change International, [Japanese Bank Financing of the East African Crude Oil Pipeline – Backgrounder on Environmental, Social, and Governance Risks](#) (June 2022) (and the sources cited therein) [hereinafter EACOP Backgrounder]. See also, e.g., Les Amis de la Terre France & Survie, [Serious Breaches of the Duty of Vigilance Law: the Case of Total in Uganda](#) (June 2019); AFIEGO, [Black Gold or Poverty Trap? High Risks and Low Prospects for Uganda's Oil Sector](#) (Mar. 2021); AFIEGO, Center for International Environmental Law (CIEL), and Les Amis de la Terre France, [Joint Parallel Report to Human Rights Committee](#) (May 2, 2022); AFIEGO, Inclusive Development International, BankTrack, [Assessment of EACOP and Associated Facilities Compliance with Equator Principles and IFC Performance Standards](#) (June 2022).

- intimidation, arrests, and detention of environmental and human rights defenders who are working with and advocating on behalf of communities impacted by EACOP and associated projects;⁹
- potential irreparable harm to water, biodiversity and natural habitats, including threats to Ramsar-designated wetlands and Uganda’s oldest and largest nature reserve, as well as the critical Lake Victoria basin and marine protected areas on the Tanzanian coast; and
- significant contribution to climate change, by unlocking a new source of fossil fuels that would emit, when burned, the equivalent of nearly nine coal-fired power plants. (Emissions across the project’s full value chain are estimated at 378 million tons of CO₂ over the course of the pipeline’s projected 25-year operation.)

Over 2,000 people affected by EACOP and the associated upstream oil field developments wrote to SMBC on May 31, 2022, informing the bank about the project’s adverse human rights and environmental impacts, including alleged harms associated with the land acquisition process and concerns over the impacts on the Ramsar-designated wetland sites. The signatories requested that the bank engage the EACOP project developers to pay fair and adequate compensation and refrain from financing any Ugandan oil projects that have failed to uphold the protection of human rights and the environment.

Project-related litigation is ongoing. The social and environmental impacts and risks associated with EACOP have resulted in lawsuits concerning the project, upstream oil field developments, and/or the operator, Total Energies, currently pending in several jurisdictions, including France, Uganda, and the East African Court of Justice.¹⁰ The lawsuits raise, among other claims, allegations of human rights violations, including violations related to the project’s impact on climate change, and violations of domestic and international laws. One of the lawsuits seeks to enjoin the project. These pending cases could result in delay or even cancellation of the project, adding to the already substantial risk of stranded assets (see below) and inability to repay loans. Findings of fact or law in these cases could also have bearing on a financier’s responsibilities with respect to the project’s impacts.

Other financiers have pledged not to support the EACOP project. Given the extensive ESG risks and resulting reputational risks associated with EACOP, an increasing number of financiers

⁹ In addition to the reports cited in the EACOP Backgrounder, see, e.g. AFIEGO, [AFIEGO and Partners Demand for Release of AFIEGO’s Buliisa District Field Officer](#) (May 20, 2021); AFIEGO, [Statement on Arrest of AFIEGO Staff](#) (Oct. 23, 2021); Press Release, COTFONE, [“Break in/Burglary and Theft at COTFONE-Masaka Office & Network Coordinator’ Home February 27th, 2022”](#) (March 1, 2022); Joint Communication by U.N. Special Rapporteurs, [Communication to Uganda](#), p.3, Ref. AL UGA 1/2022 (Jan. 24, 2022). The same Special Rapporteurs (a.k.a. “Special Procedures”) also wrote to Total Headquarters and Total E&P Uganda: see [Communication to Total Headquarters](#), Ref. AL OTH 205/2021 (July 6, 2021); [Communication to Total E&P Uganda](#), Ref. AL OTH 204/2021 (July 6, 2021). Total has responded: Letter from Aurelien Hammele to U.N. Special Rapporteurs on the situation of human rights defenders, healthy environment, freedom of opinion and expression, [re Joint Communication from Special Procedures](#) (August 23, 2021); Letter from Pierre Jessua to U.N. Special Rapporteurs on the situation of human rights defenders, healthy environment, freedom of opinion and expression, [re Joint Communication from Special Procedures](#) (August 23, 2021).

¹⁰ [France] Friends of the Earth France, Survie, AFIEGO, CRED, NAPE/Friends of the Earth Uganda, and NAVODA vs TotalEnergies; [Uganda] High Court of Uganda, AFIEGO v. NEMA & PAU, Miscellaneous Case No. 140 of 2019; [EACJ] Center for Food and Adequate Living Rights (CEFROHT) Limited and 3 Others v. the Attorney General of the Republic of Uganda & 2 Others, EACJ Reference No 39 of 2020. See EACOP Backgrounder for further details.

have publicly dissociated themselves from the project. Their actions have elevated the risks of SMBC Group's reported association with the project. Controversy surrounding EACOP has already mobilized international response from civil society, as exemplified by the StopEACOP campaign endorsed by over 260 organizations.¹¹ To date, at least twenty major banks, eight insurers, and four export credit agencies have publicly stated they will not fund the project—including Mizuho Financial Group, which has declared that it will not “commit our financing to EACOP unless the on-going E&S issues [are] resolved and amicable solutions [are] prepared.”¹²

These ESG risks have financial implications. Because of mounting reputational and litigation risks, SMBC's ongoing involvement in EACOP could result in significant financial liabilities. In particular, the project is susceptible to the risk of asset stranding due to its long-term climate impacts. This project is being developed despite the clear conclusion of the International Energy Agency (IEA)'s “Net Zero by 2050” scenario that there must be no investments in new fossil fuel supply projects if the world is to stay within the 1.5°C limit.¹³ As the Intergovernmental Panel on Climate Change (IPCC) stated in its latest report, “Limiting warming requires shifting energy investments away from fossil fuels and towards low carbon technologies.”¹⁴ From untapped reserves to abandoned infrastructure, an energy transition consistent with climate science will necessarily leave fossil fuel assets stranded, leading to trillions of dollars in losses.¹⁵

Presenting the EACOP as consistent with SMBC Group's ESG commitments may amount to greenwashing. Supporting Total and EACOP while maintaining public commitments on climate, environment, and human rights would put the SMBC Group at risk of engaging in greenwashing. For example, SMBC Group has committed to “not provide support for new projects that are perceived to have a significant negative impact on wetlands specified in the Ramsar Convention.”¹⁶ Yet the EACOP project plans to develop oil extraction wells and pipelines in and around Ramsar-designated sites. Additionally, your Group's commitment to achieving net-zero financed emissions is at odds with supporting EACOP, a new oil supply project that flies in the face of the IEA- and IPCC-recognized need to end all fossil fuel expansion projects in order to stay within 1.5°C. The Group maintains that its project financing is in compliance with the Equator Principles.¹⁷ But organizations have lodged credible allegations that EACOP violates the IFC Performance Standards, which form the basis of the Equator Principles' social and environmental criteria.¹⁸ Should SMBC Group provide financing for EACOP, its claims to be applying and abiding by the Equator Principles in financing within-scope projects could constitute a material misstatement, omission, or misrepresentation to investors.

¹¹ See <https://www.stopeacop.net/home>

¹² See <https://www.stopeacop.net/banks-checklist>

¹³ Stéphanie Bouckaert et al., [Net Zero by 2050](#), International Energy Agency (May 2021).

¹⁴ Intergovernmental Panel on Climate Change (IPCC), [Climate Change 2022: Mitigation of Climate Change](#) (2022), TS-47, Ch. 3, 3-7.

¹⁵ IPCC, [Climate Change 2022: Mitigation of Climate Change](#), SPM-36-37.

¹⁶ SMBC Group, [SMBC Group Environmental and Social Framework](#).

¹⁷ SMBC Group, [Working with the Equator Principles](#). See also *supra* note 6.

¹⁸ See Complaint to Compliance Advisor Ombudsman (CAO): “[Re: Complaint Concerning IFC Investment Britam Holding Plc, Project No 37294](#),” Inclusive Development International (October 13, 2021); AFIEGO, Inclusive Development International, BankTrack, [Assessment of EACOP and Associated Facilities Compliance with Equator Principles and IFC Performance Standards](#) (June 2022).

Involvement in EACOP also implicates your company’s human rights responsibilities.

SMBC’s involvement in EACOP is at odds with the SMBC Group’s policy on human rights, its environmental and social framework, and international standards which it has committed to follow.¹⁹ Given SMBC’s reported role as financial advisor to Total and prospective financier of EACOP, SMBC may be contributing to and/or risks contributing to foreseeable, adverse human rights impacts, presently or in the future, including through the project’s foreseeable—indeed inevitable—contribution to climate change, which adversely impacts human rights.²⁰ SMBC may also be directly linked to adverse human rights impacts through its ongoing financing of Total.²¹

Under the U.N. Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, which apply to your institution, businesses—including financial institutions—should avoid *contributing to* adverse human rights impacts.²² When a business contributes or may contribute to an adverse human rights impact, it should take the necessary steps to cease or prevent its contribution, use its leverage to mitigate any remaining impacts, and provide or cooperate in the remediation of those impacts.²³ Businesses should also seek to prevent or mitigate adverse human rights impacts that are directly linked to their services by their business relationships, including through exercising leverage over the entity causing the harm.²⁴ Throughout the scope of an activity or relationship, a business should conduct human rights due diligence to identify, prevent, mitigate and account for how it addresses actual and potential adverse human rights impacts.²⁵ This includes investigating adverse human rights impacts brought to the enterprise’s attention.²⁶ SMBC Group also supports the United Nations Global Compact²⁷ which provides that “[b]usinesses should support and respect the protection

¹⁹ In its policy and framework, SMBC Group has committed to respect human rights as set out in the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights, amongst others. SMBC Group, Statement on Human Rights, *supra* note 1; SMBC Group, SMBC Group Environmental and Social Framework, *supra* note 6 (last visited June 6, 2022). SMBC Group also supports the United Nations Global Compact. See SMBC Group, [Participation in Initiatives and References Guidelines](#) (last visited June 9, 2022).

²⁰ See HRC, General Comment No. 36, para. 62 U.N. Doc. CCPR/C/GC/36 (September 3, 2019); Joint Statement by five U.N. Human Rights Treaty Bodies, [Statement on Human Rights and Climate Change](#), U.N. Doc. HRI/2019/1, para. 3 (May 14, 2020).

²¹ See [Banking on Climate Chaos](#), *supra* note 5 (chart accounting for financing by SMBC Group to fossil fuel companies, including Total) (last visited June 4, 2022).

²² OECD Guidelines for Multinational Enterprises: 2011 Edition, ch. II, para. 11, ch. IV, para. 2; ch. IV commentary, para. 42 (2011) [OECD Guidelines]; OECD, [Due Diligence for Responsible Corporate Lending and Securities Underwriting: Key Considerations for Banks Implementing the OECD Guidelines for Multinational Enterprises](#), pp. 43-46 (2019); U.N. Office of the High Commissioner for Human Rights (OHCHR), Guiding Principles on Business and Human Rights, princ. 13(a) (2011), adopted by the UN Human Rights Council, A/HRC/RES/17/4, July 6, 2011 [UNGP]; OHCHR response to request from BankTrack for advice regarding the application of the UNGP in the context of the banking sector, pp. 5-6, 8 (June 12, 2017) [OHCHR Response to BankTrack].

²³ OECD Guidelines ch. II, para. 11, ch. II commentary, para. 19, ch. IV paras. 1, 2, 6, ch. IV commentary, paras. 41-42, 46; UNGP, princ. 13(a), 19, 22 (and associated commentary); OHCHR Response to BankTrack, pp. 10-11.

²⁴ UNGP, princ.13(b), 19; OECD Guidelines, ch. II, para. 12; ch. IV, para. 3; ch. IV commentary, para. 43; OHCHR Response to BankTrack, pp. 13-14.

²⁵ UNGP, princ. 17, 18 (and commentary for both); OECD Guidelines, ch. II, para. 10, commentary para. 14; Ch. IV, para. 5; Ch. IV, commentary, para. 45.

²⁶ OHCHR, The Corporate Responsibility to Protect: An Interpretive Guide, UN Doc. HR/PUB/12/02, p.63 (response to q.63) (2012); OHCHR Response to BankTrack p.9.

²⁷ SMBC Group, [Participation in Initiatives and References Guidelines](#), *supra* note 19.

of internationally proclaimed human rights,” and “make sure that they are not complicit in human rights abuses.”²⁸

The reported adverse impacts and foreseeable risks associated with EACOP and related upstream oil development projects, described above (as well as in the accompanying background and the reports and cases cited therein), affect a range of human rights, including the rights to an adequate standard of living, life, health, environment, water, property, freedom of expression, freedom of association, and liberty and security of the person. Failure to take adequate steps to cease or avoid contributing to the EACOP’s and/or associated projects’ foreseeable adverse impacts on these and other human rights could subject SMBC to a complaint before the Japanese National Contact Point alleging violations of the OECD Guidelines for Multinational Enterprises. Moreover, providing financial support or assistance to, or otherwise enabling, facilitating, or contributing to a project that foreseeably causes harm, such as adverse impacts on life, health, or livelihoods, including such impacts that result from the project’s unavoidable contributions to climate change, could give rise to liability under private law.

Financial actors like SMBC Group and their Boards face mounting pressure for accountability. Multinational companies and their directors are increasingly being scrutinized and held accountable for their contributions to the climate crisis and for greenwashing practices that mask that contribution or otherwise misconstrue the environmental impacts of their conduct. Total is currently subject to two ongoing cases alleging that the company failed to take into account climate impacts in its operations and engaged in greenwashing.²⁹ SMBC Group is not immune from these risks. These trends are evidenced by the rapid increase in climate litigation, including against financial institutions³⁰; shareholder resolutions demanding more robust climate-related disclosures and targets, including the resolutions at SMBC Group³¹ and Standard Bank, another financial advisor to EACOP³²; and financial regulation aimed at ensuring accurate disclosure of climate-related risks.³³ In particular, the Network for Greening the Financial System (NGFS) has identified climate-related litigation as a growing source of risk, and one that can have significant material impact on financial actors: these include increasing financing costs; holding financial actors liable for failing to appropriately disclose and manage climate-related risks; and breach of fiduciary duties by financial institution directors for continuing to favor the financing of climate change drivers,³⁴ most notably fossil fuels.

²⁸ United Nations Global Compact, [The Ten Principles](#), at princs. 1, 2 (last visited June 21, 2022); United Nations Global Compact, [Company Information: Sumitomo Mitsui Financial Group, Inc.](#) (last visited June 21, 2022) (indicating that SMBC Group is a participant in the Global Compact since 31 December 2007).

²⁹ [Greenpeace France, Amis de la Terre, Notre Affaire à Tous vs TotalEnergies SE and TotalEnergies Electricité et Gaz France](#) (2022); [Notre Affaire à Tous, Sherpa, Zea, Les Eco Maires, et al. vs Total](#) (2019).

³⁰ Subodh Mishra, [The Rise of Climate Litigation](#), Harvard Law School Forum on Corporate Governance (March 3, 2022).

³¹ [SMBC Group: Shareholder Resolution](#), Climate Votes (last visited June 10, 2022).

³² Kristin Engel, [Climate Activists Call for Action Following Protests Outside Standard Bank’s AGM](#) (June 3, 2022); Just Share, [2022 AGM Roundup 1 \(15 February - 3 June\)](#).

³³ See, e.g. Rupert Walker, [Japan gets tough on greenwashing](#), ESG Clarity (August 5, 2021)

³⁴ Network for Greening the Financial System, [Climate-related litigation: Raising awareness about a growing source of risk](#) (November 2021).

Supporting EACOP and the project operator may violate your duties as directors. SMBC Group Board members have responsibilities to oversee the management of risk and ensure the accuracy of disclosures. The failure to do so could constitute a litigable breach of fiduciary duty. In March, a legal action was lodged against the Board of Directors of Shell under English law, arguing that its failure to properly prepare the company for the net zero transition puts them in breach of their legal duties.³⁵ Directors in Japan have three primary duties: a duty of loyalty; a duty to be in compliance with all laws, regulations, and ordinances, and the company articles; and a duty to act with the care of a prudent manager.³⁶ As directors of SMBC Group, you shoulder a duty of loyalty to act in the best interests of the Group, which should encompass the long-term sustainability of your company, and a duty to report any information that is likely to harm your company.³⁷ With respect to climate change, where directors neglect to undertake reasonable research and analysis of the relevant facts, fail to get expert advice on climate-related risk management, and fail to exercise due care in respect of climate risks, the courts are unlikely to defer to directors' business judgment.³⁸ The burden is on you to show such measures have been taken. Directors who neglect such duties can be held jointly and severally liable to the company for any resulting damages; and where directors are grossly negligent or knowingly fail to perform their duties, such directors can also be liable to third parties, including shareholders and creditors, for the resulting damages.³⁹

In light of the above, we echo the call made by over 260 civil society organizations in March 2021 to SMBC and other banks,⁴⁰ and urge SMBC Group and its Board of Directors to:

- **Cease any SMBC involvement** with the EACOP project as a financial advisor and arranger to the project loan, and publicly commit not to provide financing or other forms of support to the EACOP project or associated fossil fuel projects;
- **Investigate and assess** the credible reports of EACOP's adverse impacts on and foreseeable risks to human rights, the environment, and the climate, including through on-site meetings with project-affected communities;
- **Cease any contributions and prevent future contributions to adverse human rights and environmental impacts, and participate in the remediation** of any adverse impacts to which it has contributed, including, but not limited to, impacts connected in connection with land acquisition processes;
- **Publicly report on steps taken** to address the project's human rights, environmental and climate impacts and risks; manage financial and reputational risks associated with EACOP; and assess the consistency of advising and financing EACOP with your Group's Environmental and Social Framework and public commitments on human rights and climate change, most notably by endorsing the UN Guiding Principles on Business and Human Rights and the Net Zero Banking Alliance;

³⁵ ClientEarth, [ClientEarth Shareholder Litigation against Shell's Board FAQ](#) (March 15, 2022); Sam Meredith, [Shell's Board of Directors Sued for 'Failing to Properly Prepare' for the Energy Transition](#) (March 15, 2022).

³⁶ Civil Code of Japan, Act No. 89 of April 27, 1896, as amended, article 644; Companies Act of Japan, article 355.

³⁷ Companies Act of Japan, article 357.

³⁸ See Dr. Yoshihiro Yamada *et al.*, [Directors' Duties Regarding Climate Change in Japan](#), Commonwealth Climate and Law Initiative (February 2021), p.28.

³⁹ Companies Act of Japan, Articles 423 and 429. See also Akira Nagasaki, City-Yuwa Partners, [Environmental Law 101: Japan](#), Section 7.1.

⁴⁰ [Open letter from over 260 civil society organisations to banks on EACOP](#) (March 1, 2021).

- **Use your Group's leverage** to ensure Total acts immediately to provide full, fair and adequate compensation to people already affected by the pipeline for the impacts to their land and livelihood, in accordance with international human rights standards, and otherwise prevents, mitigates, and remediates further adverse human rights impacts; and
- **Engage with the governments of Uganda and Tanzania** and other financiers to promote an energy future for East Africa that does not rely on oil or other fossil fuels, but rather on renewable energy alternatives.

We look forward to your addressing this matter at the upcoming shareholder meeting on June 29th, including clarifying SMBC's current involvement with EACOP, and request a written response to this letter at your earliest convenience and no later than July 15, 2022.

Thank you for your consideration,

Kiko Network*

Takayoshi Yokoyama* (350.org Japan Team Leader)

Eri Watanabe* (350.org Japan Senior Campaigner)

Toyoyuki Kawakami* (Rainforest Action Network Japan Representative)

350.org Japan

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