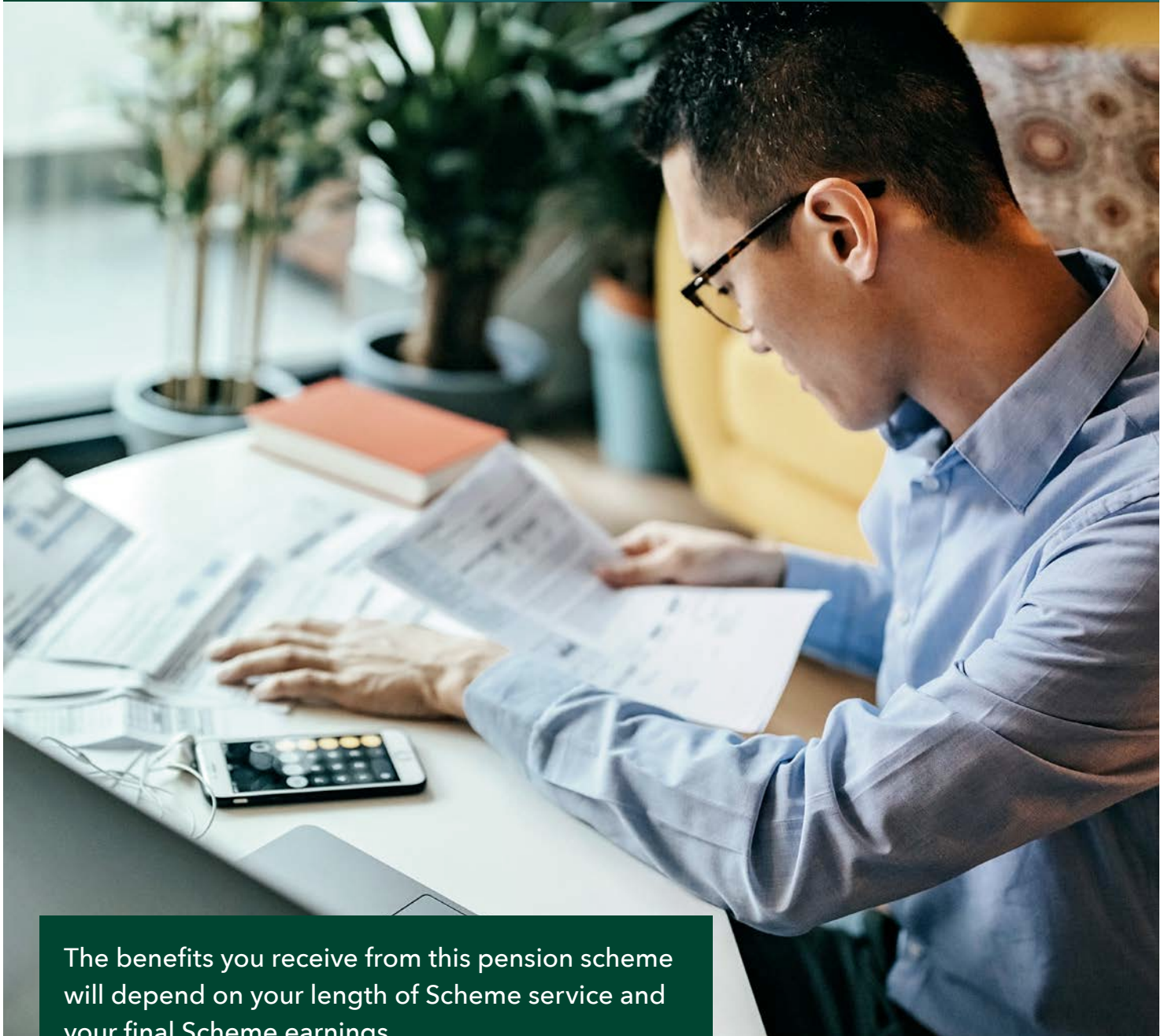




KNOW THE NUMBERS

Your Summary
Funding Statement for the
Sumitomo Mitsui Banking
Corporation Europe
Limited Pension Scheme

AUGUST 2020



The benefits you receive from this pension scheme will depend on your length of Scheme service and your final Scheme earnings.

Benefits are paid out of a central fund, invested by the Trustees with the help of specialist advisers.

This is your annual Summary Funding Statement which will give you an idea of the Scheme's financial status. Please take time to read this statement so that you know how your pension scheme is doing.

A copy of the full valuation is available on request from the Scheme Administrator.

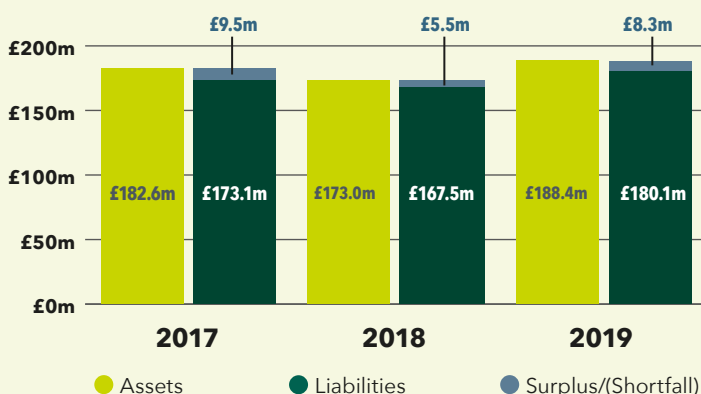
KNOW THE FINANCES

HOW IS THE SCHEME DOING?

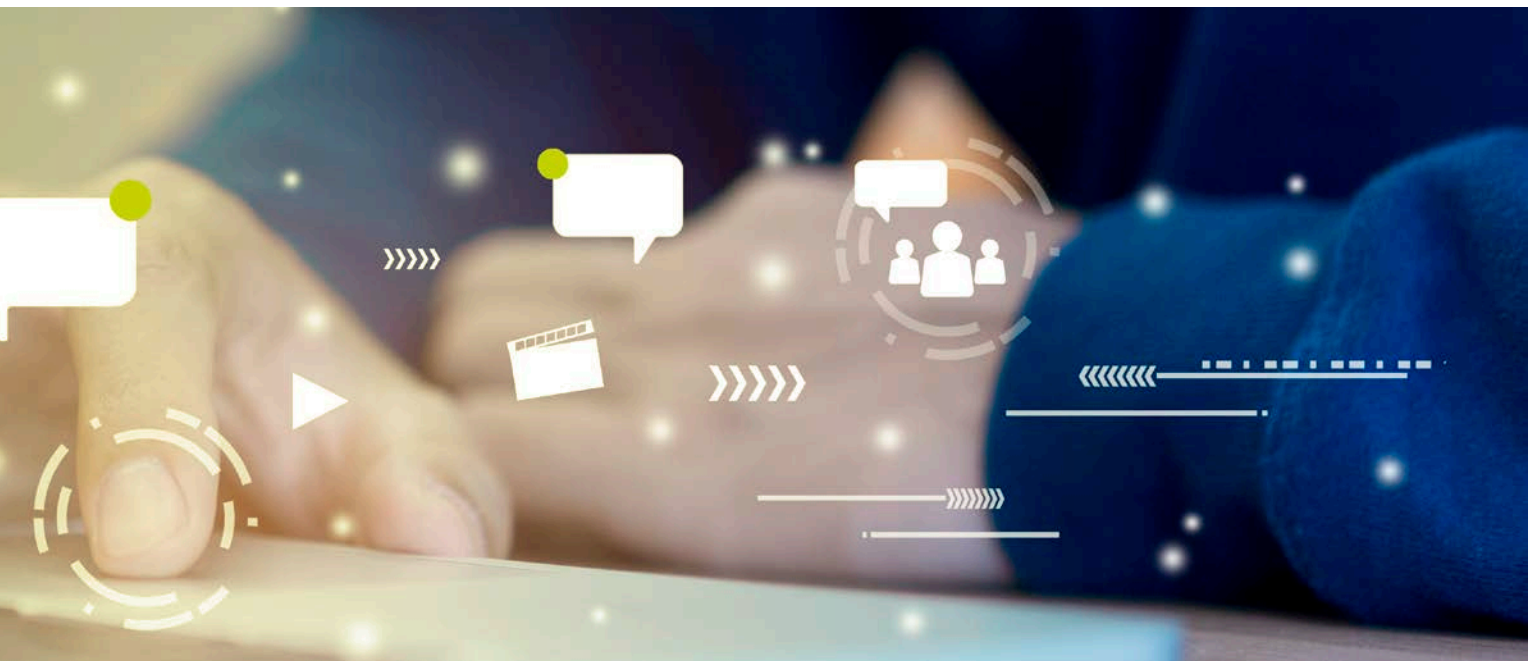
The Trustees have appointed a Scheme Actuary who carries out a full actuarial valuation every three years, with annual checks in between. Here is a summary of the position at the last update and how this compares with the last full valuation.

ASSETS	LIABILITIES	SURPLUS/ (SHORTFALL)	FUNDING LEVEL
Value as at 31 December 2019 £188.4m	Value as at 31 December 2019 £180.1m	Value as at 31 December 2019 £8.3m	Value as at 31 December 2019 105%
Value as at 31 December 2018 £173.0m	Value as at 31 December 2018 £167.5m	Value as at 31 December 2018 £5.5m	Value as at 31 December 2018 103%
Value as at 31 December 2017 £182.6m	Value as at 31 December 2017 £173.1m	Value as at 31 December 2017 £9.5m	Value as at 31 December 2017 105%
The value of the Scheme's investments	The estimated costs of providing members' benefits	The difference between the assets and the liabilities	The assets as a percentage of the liabilities

The Scheme's financial position



The Scheme's funding level shows how its liabilities (the money it expects to pay out now, and in the future) compare with its assets. These assets build up over time through Company contributions and investment income. If the assets are worth less than the liabilities, then the Scheme has a 'shortfall', but if the assets are worth more than the liabilities, then the Scheme has a 'surplus'. As you can see as at 31 December 2019 the Scheme had a surplus with 105% of the money it needed to pay all benefits due now and in the future.



WHAT DOES THIS MEAN FOR MY BENEFITS?

These valuations are only a snapshot in time, and as market conditions change, it is perfectly normal for the funding level to fluctuate over time.

IS MY PENSION SECURE?

The Trustees aim to have enough money in the Scheme to pay pensions and other benefits to members. So long as the Company continues to support the Scheme, your benefits will be paid in full when they become due.

The Actuary also works out how much money the Scheme would need if the Company could no longer support it, the Scheme was wound up and the Trustees secured members' benefits by buying an insurance policy.

Securing benefits in this way is expensive because the insurance company pays members' benefits in full in exchange for a one-off payment. For example, when the last full valuation was carried out, it would have cost £183.7m to secure members' benefits if the Scheme had wound up as at 31 December 2017, compared to the assets of £182.6m at the same date.

If there was not enough money in the Scheme to buy out all the benefits with an insurance

policy, the Company would have to make up the shortfall. For cases where a company goes out of business and doesn't have the money to pay the benefits promised the Government has set up the Pension Protection Fund (PPF) which can pay compensation to members. You can find out more about the PPF on its website: www.ppf.co.uk

Including this information doesn't mean that there are plans to wind up the Scheme, it's simply required to form part of our report.

And finally

Legally, we have to confirm that the Company has not taken any surplus payments out of the Scheme in the last 12 months. We can also confirm that The Pensions Regulator has not intervened to change the way that benefits build up, the way valuations are calculated, or the way the funding shortfall is met.

DID YOU KNOW?

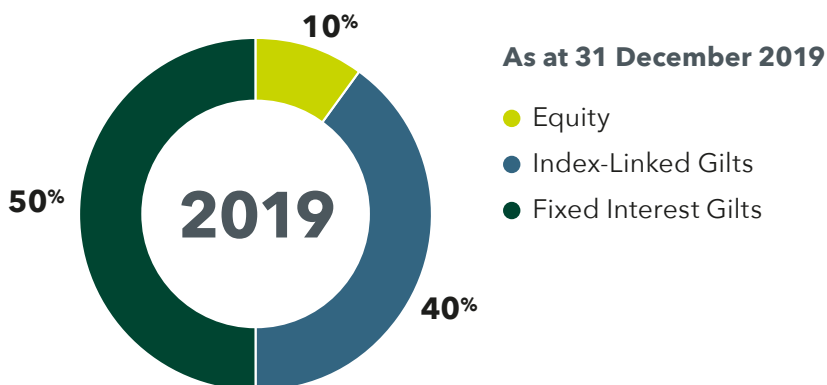
If you are thinking of leaving the Scheme or making any changes to your pension arrangements, we recommend you get professional financial advice first. For a list of advisers go to www.moneyadvice.org.uk and type 'Retirement adviser directory' in the search bar.



KNOW THE INVESTMENTS

OUR INVESTMENT STRATEGY

The Scheme's investment strategy is set by the Trustees after taking appropriate independent advice. The Scheme's assets were allocated to the following investment types (graph below).



The Trustees and their investment adviser have considered Environmental, Social and Governance criteria when setting the investment strategy for the 2019/20 year and will continue to do so.

More information about our investment strategy is published in our Statement of Investment Principles. Copies of all the Scheme's documents are available upon request from the Scheme Administrator.

YOUR DATA

If you would like to find out more about how we use your personal data please follow the link to the Hymans Robertson Trust Centre: www.hymans.co.uk/information/trust-centre/

SCHEME ADMINISTRATOR

The Scheme Administrator is:

Hymans Robertson LLP
20 Waterloo Street
Glasgow
G2 6DB

0141 566 7684

@ SMBCEPensions@hymans.co.uk

DID YOU KNOW?

The Trustees decide who should receive any benefits on your death. Please let the Trustees know who you would like to be considered for payment, by completing a nomination form.