

SMFG and the Group companies strive to create a workplace where each and every employee can take pride and be highly motivated about his or her work. In the following pages, we would like to introduce SMBC's initiatives in the human resources area.

## Four Goals of SMBC's Human Resource Management

1. Promote the creation of an even more powerful business culture and practices that will enable SMBC to compete in global markets
2. Develop staff with specialized professional skills who can provide customers with high-value-added services
3. Motivate employees even more strongly by respecting their individuality and encouraging them to seek personal fulfillment
4. Foster a corporate culture that encourages a forward-looking and creative attitude

## Training Staff with Specialized Professional Skills

### ● Training for Younger Employees

To provide a high level of motivation for growth and development among younger personnel, SMBC provides basic practical training programs in consumer banking, corporate banking, and operations under separate programs known as the Retail Banking College, the Corporate Banking College, and the Banking Operations College. Instruction in business knowledge and skills, which was formerly conducted over several years, has been concentrated into a period of only about six months for new employees, using a combination of on-the-job training and classroom courses. This system provides for a concentrated learning experience without placing an undue burden on new employees.



Corporate Banking College

### ● Expanding In-House Recruitment Systems

To support employees in designing their own careers on their own initiative we operate an in-house recruitment system, which has three entry points: namely, the training entry point, the job entry point, and the post-entry point. In the case of the job entry point, SMBC holds its SMBC Job Forum, which is an in-house seminar where 50 or more departments introduce their work and solicit other employees to join them. This forum not only increases interest in the in-house recruitment system but also improves

understanding among staff about a wide range of jobs within the bank, thus providing employees with the opportunity to think about their career design. In fiscal 2008, more than 800 young to mid-career employees, in eastern and western Japan together, attended these seminars.



Job Forum

## Creating a Corporate Culture that Derives Strength from Diversity

### ● Employing a Diversity of Human Resources

SMBC is implementing initiatives to create a workplace where gender, nationality, and other superficial characteristics are not an issue and where a diversity of personnel can make active contributions. The ratio of women newly hired for the year beginning in April 2009 for generalist and consumer services positions was around 40%, and the number of women holding managerial positions has increased substantially. In fiscal 2008, we established a Diversity and Inclusion Department within our Human Resources Department and implemented other initiatives for creating a corporate culture that derives strength from diversity.

### ● The New Business Career Path

In fiscal 2008, we revamped our existing support staff career tracks by establishing the Business Career Path for those wishing to broaden their work activities and roles. We have introduced a "corporate course" and an "operation course" for work and career paths. We have also created managerial levels and opened up fields where motivated employees can make even greater contributions, while valuing lifestyle and career considerations. In addition, we have hired temporary and contract employees working at our branches as regular employees on the Business Career Path (about 2,000 in fiscal 2008; some 400 in fiscal 2009).

### ● Initiatives at Overseas Offices

SMBC has a strong commitment to training local staff at overseas units. The training facility established in Singapore by the Asia Pacific Training Department covers a broad range of subjects for employees in this region. Sessions are focused primarily on busi-

ness training and the development of capabilities and skills. Through these activities, we are taking the initiative in developing human resources on a global scale.

As of April 2009, SMBC had three non-Japanese executive officers, one each in Asia, the United States and Europe. In addition, we are aggressively recruiting foreign employees in Japan.



Credit administration training session in Singapore

### ●Employing Physically Challenged Persons

SMBC has established a special company called SMBC Green Service Co., Ltd. that provides employment opportunities for the physically challenged. In December 2008, this company set up an office in Kobe for the purpose of creating jobs for the mentally challenged. To upgrade their skills, we encourage our employees to participate actively in competitions for the physically challenged. Over the years, we have sent a number of our employees to the National Skill Competition for the Disabled (known as the "Abilympics"), three of whom were winners in the fiscal 2008 competition. As of March 2009, physically challenged persons account for 1.95% of our employees, well above the legally mandatory 1.8%.

### ●Providing Support for a Good Work-Life Balance

SMBC has an employee support program that provides a range of assistance for achieving a proper balance between work and home. For example, we reimburse employees for up to ¥50,000 for monthly after-school child-care and babysitting expenses and we have extended the duration of all child-related programs to the end of the third year of elementary school. More than 20 male employees have used the short-term (about two weeks) child-care leave system. Our monthly lecture program for assisting employees returning to work after time off for child-rearing is now in its fourth year. A total of 600 or so employees have attended these sessions. Giving families a better understanding of jobs at SMBC is another goal. For this purpose, we conduct the SMBC Children's Visitation Program each year so that children can see the work their parents do at SMBC. In March 2009, SMBC received the *Kurumin* certification from the Japanese Ministry of Health, Labour and Welfare in recognition of our activities to support child-rearing.

## Systems for a More Flexible Work Environment

### ○Work relocations

To enable employees with job categories that do not normally provide for relocation transfers to request reassignments to other locations due to marriage, relocation of one's spouse, or other reasons.

### ○Leave for taking care of sick children

Employees may take leave to care for sick children who are in their third year of primary school or younger. (Leaves are up to five days a year for one child and ten days a year for two or more children.)

### ○Half-day vacation time

Employees can use their annual allotment of vacation days in half-day increments, to give them the flexibility to attend school events and take care of other personal matters.

### ○System for rehiring former employees

Employees who have resigned due to marriage, childbirth, child-rearing, or caring for a family member can apply to be rehired within five years of their resignations.

### ○Parental leave

Employees are allowed to take parental leave until the child is 24 months old.

### ○Shorter working hours

For employees with children in school up to the end of the third year of primary school, SMBC has two types of systems that employees may choose from to give them time to drop off children at a daycare center and pick them up at the end of the day. One system enables them to shorten their working day, and the other makes it possible to designate one day each week as a day off.

### ○Leave for caring for senior or disabled family members

Employees may take leave of absence to take care of a disabled or elderly family member.

## Systems to Provide Financial Support for Child-Rearing

### ○Child-care subsidies

For employees with children up to the end of the third year of primary school, SMBC offers subsidies up to a monthly limit of ¥50,000 to pay for after-school care and babysitting.

### ○Subsidies for transportation to and from child-care centers

To help pay for transportation costs to and from child-care centers and other such transportation expenses, SMBC offers a system that pays the cost of having parents take a detour to the care center, etc., from their regular commuting route.

### ○Child-care support system

To lighten the economic burden of child-rearing for employees, we provide child-care center and babysitting services through an employee benefit services outsourcing company at a discount.



Children's Visitation Program



Kurumin

The programs explained thus far are all activities at SMBC, and similar initiatives are being extended to other Group companies. To start their own programs for employees, Sumitomo Mitsui Card, Sumitomo Mitsui Finance and Leasing, SMBC Friend Securities and Japan Research Institute each completed a Work-Life Balance Guidebook in fiscal 2008, based on actual experience at SMBC.



Work-Life Balance Guidebook

## Heightening Awareness of Individual Rights

At SMBC, we have included in our principles of action the concepts that “we will respect the individual human dignity of our customers and employees” and “we will not permit discrimination of any kind.” We are implementing the following initiatives to heighten the awareness of all employees regarding individual rights.

- Conducting training meetings for manager-level staff (once a year), and personnel newly appointed to management positions and staff who have recently joined the bank
- Holding study meetings to discuss individual rights issues, with manager-level personnel leading these sessions (twice a year)
- Soliciting slogans promoting individual rights from management and staff (once a year)

### ● SMBC Named as One of the Best 25 Companies in Japan in the “Great Place to Work” Rankings

In January 2009, SMBC was selected for the second year running as one of the best companies in Japan as a place to work in the survey conducted by Great Place to Work® Institute Japan.

\* Great Place to Work® Institute, Inc., a U.S. company, is a survey organization that supplies data for the annual list of the “100 Best Places to Work®” published by Fortune magazine. The survey has two major components: a survey of the internal systems and corporate culture of respondent companies and a questionnaire survey of the employees of these companies. The survey of employees receives a weighting of two-thirds in determining the final results.



## Staff Profile

March 31	2007	2008	2009
<b>Number of employees*</b>	19,723	20,273	23,543
Male	13,424	13,457	13,669
Female	6,299	6,816	9,874
<b>Average age</b>	39 yrs 0 mths	38 yrs 7 mths	36 yrs 9 mths
Male	41 yrs 2 mths	40 yrs 10 mths	40 yrs 5 mths
Female	34 yrs 5 mths	34 yrs 2 mths	31 yrs 8 mths
<b>Average years of service</b>	16 yrs 8 mths	15 yrs 11 mths	13 yrs 10 mths
Male	18 yrs 2 mths	17 yrs 5 mths	16 yrs 11 mths
Female	13 yrs 7 mths	12 yrs 11 mths	9 yrs 6 mths
<b>Ratio of employees with disabilities (% of total)**</b>	2.03%	2.05%	1.95%

\* The number of full-time employees, including employees temporarily dispatched to other companies and organizations. The following have all been excluded from this total: executive officers, employees on short-term contracts, part-time employees, temporary staff employees, and local staff at overseas branches.

\*\* As of March 1 of the respective years

April 1	2005	2006	2007	2008	2009
Number of newly employed female graduates***	208	252	380	518	388
Ratio of newly employed females to total new employees	38.1	36.3	40.0	41.3	40.3

\*\*\* Includes generalist staff and consumer service staff. Business Career Path employees are excluded.

Fiscal	2004	2005	2006	2007	2008
Number of women in managerial positions****	193	235	280	354	456
Number taking leave for child-rearing	70	89	126	163	222
Men taking such leave	—	—	6	22	27
Number of career hires	88	181	156	500	136

\*\*\*\* As of the end of the fiscal year