



Corporate Social Responsibility (CSR)

Contributing to the Sustainable Development of Society

Today, modern society is faced with diverse issues such as global warming, rapid population growth, and a declining birthrate and aging of the population in advanced countries. The SMFG Group believes that it is our Group's social responsibilities, our CSR, to remind us of and practice the roles as the global financial group for resolving issues for the sustainable development of the society.

Basic CSR Policies

SMFG has set forth the definition and common principles for "business ethics" for CSR in order to clearly describe and effectively promote CSR activities in the Group.

SMFG's Definition of CSR

In the conduct of its business activities, SMFG fulfills its social responsibilities by contributing to the sustainable development of society as a whole through offering higher added value to (i) customers, (ii) shareholders and the market, (iii) the environment and society, and (iv) employees.

SMFG's Group-Wide CSR Philosophy: "Business Ethics"

I. Satisfactory Customer Services

We intend to be a financial services group that has the complete trust and support of our customers. For this purpose, we will always provide services that meet the true needs of our customers to assure their satisfaction and earn confidence in the Group.

II. Sound Management

We intend to be a financial services group that maintains fair, transparent, and sound management based on the principle of self-responsibility. For this purpose, along with earning the firm confidence of our shareholders, our customers, and the general public, we take a long-term view of our business and operate it efficiently, and actively disclose accurate business information about the Group. Through these activities, we work to maintain continued growth based on a sound financial position.

III. Contributing to Social Development

We intend to be a financial services group that contributes to the healthy development of society. For this purpose, we recognize the importance of our mission to serve as a crucial part of the public infrastructure and also our social responsibilities. With such recognition, we undertake business operations that contribute to the steady development of Japan and the rest of the world, and endeavor, as a good corporate citizen, to make a positive contribution to society.

IV. Free and Active Business Environment

We intend to be a financial services group for which all officers and employees work with pride and commitment. For this purpose, we respect people and develop employees with extensive professional knowledge and capabilities, thereby creating a free and active business environment.

V. Compliance

We intend to be a financial services group that always keeps in mind the importance of compliance. For this purpose, we reflect our awareness of Business Ethics in our business activities at all times. In addition, we respond promptly to directives from auditors and inspectors. Through these actions, we observe all laws and regulations, and uphold moral standards in our business practices.

Integral Development of CSR and Business Strategies

The SMFG Group believes that CSR is the foundation for SMFG Group's business strategies which should be integrally incorporated with business strategies for achieving the management policies and goals. In another words, it is the concept that we consistently verify and confirm according to the basic policy of CSR whether the direction of our business strategies promoted by our Group corresponds with our vision in 10 years of "becoming the highly trusted global financial group which leads Japan and Asia, and grow along with clients"; and then, we reflect the needs of clients and society in our CSR activities.

We believe that fulfilling CSR is truly "management itself," and seriously committing to the implementation of CSR would be the shortest and quickest way to achieve our management policies and goals.

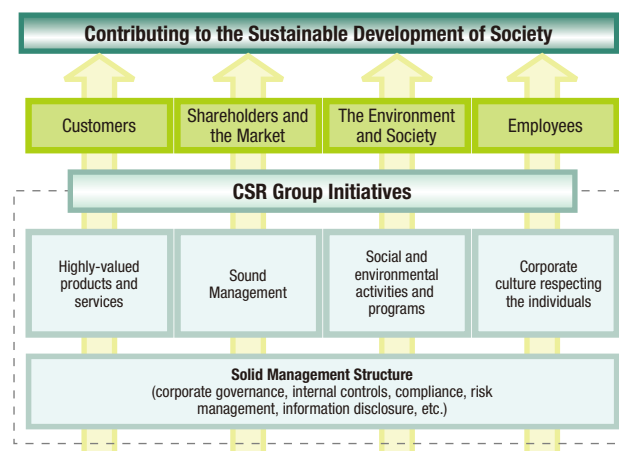
Support for Initiatives in Japan and Overseas

As a corporate citizen of the global society, SMFG is fully aware of the social impact of the financial institution, and it shall support the following initiatives in Japan and overseas (the action guidelines for the corporate activities and principles).

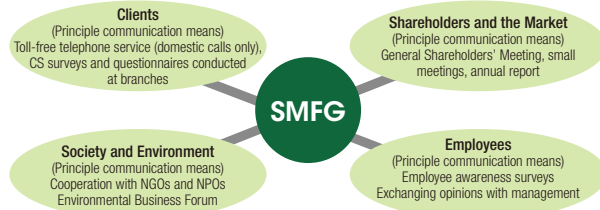
Initiatives supported by SMFG in Japan and overseas

- United Nations Global Compact**
 Ten principles proposed by the United Nations concerning human rights, labor, environment and corruption prevention
- United Nations Environment Programme Finance Initiative (UNEP FI)**
 Organization which pursues, develops and promotes the ideal financial institutions which pay attention to the environment and sustainability
- CDP (Carbon Disclosure Project)**
 Initiatives which measures, manages and reduces effects of climate changes by prompting institutional investors and business managers to have dialogues regarding such climate changes
- Equator Principles**
 Environmental and social standards which are set forth based on the International Finance Corporation (IFC) guidelines for project finance projects
- Principles for Financial Action toward a Sustainable Society (Principles for Financial Action for the 21st Century)**
 Principles of action for financial institutions in Japan for the purpose of expanding and improving the quality of environmental finance

CSR Values for SMFG



For Building Relations with Respective Stakeholders



- **Clients:** We shall provide high value-added products and services to clients and develop along with clients.
- **Shareholders and the Market:** With appropriate information disclosure, we shall maintain sound management and increase shareholder value through improvement of the internal control system.
- **Society and Environment:** We shall strive to consistently and proactively engage in social and environmental activities; contribute to the society; and preserve the earth's environment.
- **Employees:** We shall develop the kind of corporate culture which respects employees and allow them to exercise one's full potential without any hindrance.

Guidelines Used for Reference

The Group refers to the following guidelines in its promotion development, and information disclosure for CSR.

• ISO26000

This is the "guidance document" with respect to social responsibilities, consisting of basic principles and seven core subjects (governance, human rights, labor practices, the environment, fair operating practices, consumer issues, and community involvement and development).

• GRI Guidelines

"Sustainability Reporting Guidelines (G3.1 and G4.0)" of GRI (Global Reporting Initiative) is referred to for editing of CSR website and preparation of CSR.

*GRI (Global Reporting Initiative): International organization established in 1997 for the purpose of creating and promoting global guidelines for the "Sustainability Report."

• United Nations Global Compact, COP (Communication on Progress), Advanced Level Criteria

21 evaluation criteria provided for reporting performance status of 10 principles of the signed United Nations Global Compact.

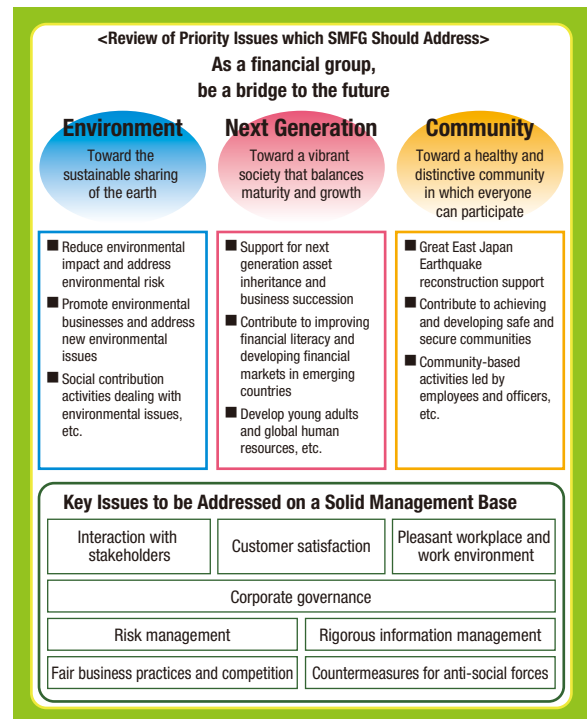
SRI Indices

The Group's CSR activities have been highly evaluated by the market and included in internationally-known, major SRI ("Socially Responsible Investment") Indices. The SRI Index is a standard for investment decisions that are based not only on financial perspectives, but also on important views including environmental considerations and social contributions. We believe that this is an endorsement by the market of the Group's future corporate social responsibility activities.



Review of Priority Issues (Materiality) which SMFG Should Address

In fiscal 2013, the Group has reviewed the previously-raised priority issues according to changes in social trends, and newly identified three subject matters of "Environment," "Next Generations" and "Community" as the medium- to long-term priority issues (Materiality).



As for identifying these priority issues, we broadly selected issues according to the above-mentioned guidelines and prioritized them based on the degree of importance from perspectives of each SMFG Group company and stakeholders. Concurrently, the final priority issues were determined taking into account the opinions of experts through discussions. In fiscal 2014, we promoted measures for resolving priority issues by reviewing through discussions with internal and external stakeholders and respective Group companies.

We will continue to engage in specific activities for Group companies upon further identifying the items which should be worked on according to priority issues.