

Together with Our Employees

Performance in fiscal 2008 and measures for fiscal 2009

Policy	Performance in fiscal 2008	Measures for fiscal 2009
Providing support for a good work-life balance	<ul style="list-style-type: none"> • Establishment of Diversity and Inclusion Department • Compilation of guidebook for a better work-life balance for Group companies • Kurumin certification from the Ministry of Health, Labour and Welfare in recognition of activities to help foster the development of the next generation • Establishment of SMBC Retail Banking College and start of courses • Expansion of career training 	<ul style="list-style-type: none"> • Expansion of diversity measures <ul style="list-style-type: none"> • Expansion of diversity training • Publication of diversity report • Promoting a better work-life balance <ul style="list-style-type: none"> • SMBC Children's Visitation Program at Group companies • More diversified training <ul style="list-style-type: none"> • Educational activities aimed at raising environmental awareness and fostering a more customer-oriented mentality
Measures to improve employee skills and harness their abilities		
Further equal opportunity measures		

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

SMBC

■ 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, Corporate Banking College, and Banking Operations College. Instruction in business knowledge and skills, formerly was 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.



SMBC Retail Banking College

■ Expanding in-house recruitment systems

One of the systems that SMBC has created to support employees in designing their own careers as financial professionals on their own initiative is the 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 the 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.



SMBC Job Forum

■ Self-motivation support

SMBC supports employees in broadening their horizons, by helping them obtaining qualifications and arranging lectures on approaches to obtaining qualifications. It has established an online self-motivation support site and provides career enhancement tools such as e-learning and video library facilities.



Self-motivation support site

Creating a Corporate Culture that Derives Strength from Diversity

SMBC SMCC SMFL JRI FRIEND

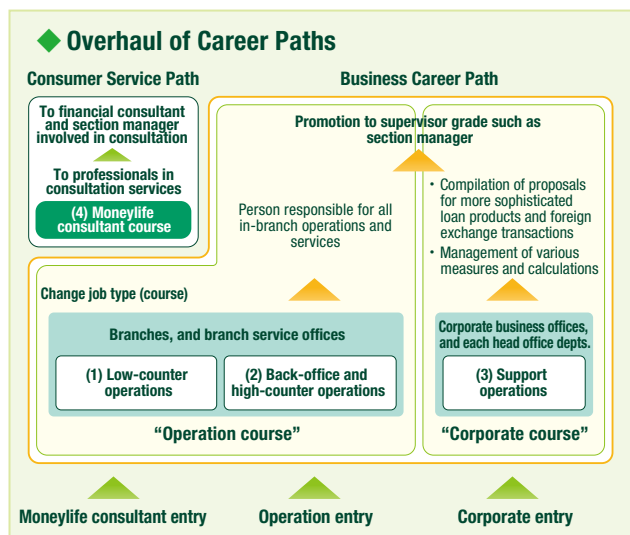
■ Employing a diversity of human resources

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 (see page 21). In fiscal 2008, it established a Diversity and Inclusion Department within the Human Resources Dept. and implemented other initiatives for creating a corporate culture that derives strength from diversity.

■ Establishing a new business career path

Beginning in fiscal 2008, SMBC realigned its existing support staff career tracks by establishing the Business Career Path, which expands the range of work activities and raises interest among employees in different career opportunities. Among job types, a “corporate course” and an “operation course” have been introduced, with their own career paths. SMBC has also created managerial levels and, while giving due consideration to lifestyle and career factors, has opened up fields where motivated employees can make even greater contributions. In addition, SMBC has hired temporary and contract employees working at its branches as regular employees on the Business Career Path. The number of such hires was around 2,000 in fiscal 2008 and around 400 in fiscal 2009.



■ Training 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 business training and the development of capabilities and skills. Under the concept of “providing fair, appropriate personnel development opportunities at the business front line, for all local-hire employees,” the bank is diversifying access to opportunity through collective training courses as well as e-learning and its portal website. In the belief that personnel development is the foundation

of its business, SMBC will continue to nurture human resources who can contribute to the development of industry and markets in the country concerned.



Credit administration training session in Singapore

As of April 2009, SMBC had three locally hired executive officers, one each in Asia, the United States and Europe. In addition, the bank is aggressively recruiting foreign employees in Japan.

■ Employing persons with disabilities

SMBC has established a special company called SMBC Green Service Co., Ltd. that provides employment opportunities for people with physical disabilities. In December 2008, this company set up a new office in Kobe for the purpose of creating jobs not only for physically but also for mentally impaired persons. In a series of initiatives to support for the employment of disabled persons, the bank makes arrangements for other companies with an interest in employing persons with disabilities to visit SMBC, and also accepts interns with physical disabilities from other companies. As a result, SMBC has received awards from many sources for its significant contributions to the employment of persons with physical disabilities. In addition, SMBC encourages its employees to participate actively in skill competitions for the disabled. Over the years, a number of our employees participated in the National Skill Competition for the Disabled (known as the “Abilympics”). Three employees took part, of whom one received a prize, in the fiscal 2008 competition. As of March 2009, disabled people accounted for 1.95% of our employees, above the legally mandatory level of 1.8%.



Employee Voice



Chika Ebisawa

Hanakoganei Branch Service Office, SMBC

“Since being deployed here in 2006, I have been mainly involved in processing application documents and back-office work relating to time deposits. In 2008, I was asked if I wanted to be transferred onto the Business Career Path, and I wondered whether I wanted to do this. Once I saw how much my senior colleagues enjoyed receiving words of praise from the customers and how that created a happy workplace, I began to feel that I wanted to take on the challenge of a more responsible job and increase my opportunities for creating value for the customer. In July that year I became a formal regular employee.

Regular employees have more career paths to choose from, so I am considering acquiring further expertise and skills so that I can try for a management-level job in future years. Through this change of job, I became more conscious of the importance of putting the customer first in my day-to-day work.”

Together with Our Employees

■ 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.



Return-to-work support

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 Ministry of Health, Labour and Welfare in recognition of our activities to support child-rearing.



Kurumin certification

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, SMFL, SMBC Friend Securities and JRI each completed a Work-Life Balance Guidebook in fiscal 2008, based on actual experiences at SMBC.



Work-Life Balance Guidebook



SMBC Children's Visitation Program

◆ 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 two-thirds weighting in determining the final results.



Awareness of Individual Rights SMBC SMCC SMFL JRI FRIEND

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), 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)

Similar initiatives are underway at Group companies.

Staff Profile SMBC SMCC SMFL JRI FRIEND

◆ SMFG (consolidated)

March 31	2007	2008	2009
Number of employees	41,428	46,429	48,079

◆ SMBC

March 31	2007	2008	2009
Number of employees*	19,723	20,273	23,543
Male	13,424	13,457	13,669
Female	6,299	6,816	9,874
Average age	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
Average years of service	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
Ratio of employees with disabilities (% of total)**	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	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%	41.3%	40.33%

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

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

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