

Human Resources Strategy

Our Approach

We have established the Five Values as a set of shared beliefs and behavioral guidelines for all 100,000 employees around the world in order to achieve “Our Mission.” We are moving ahead with the strategic development of talent and the creation of a workplace that maximizes the contributions of a diverse workforce, to enable all employees to perform to the extent of their capabilities.

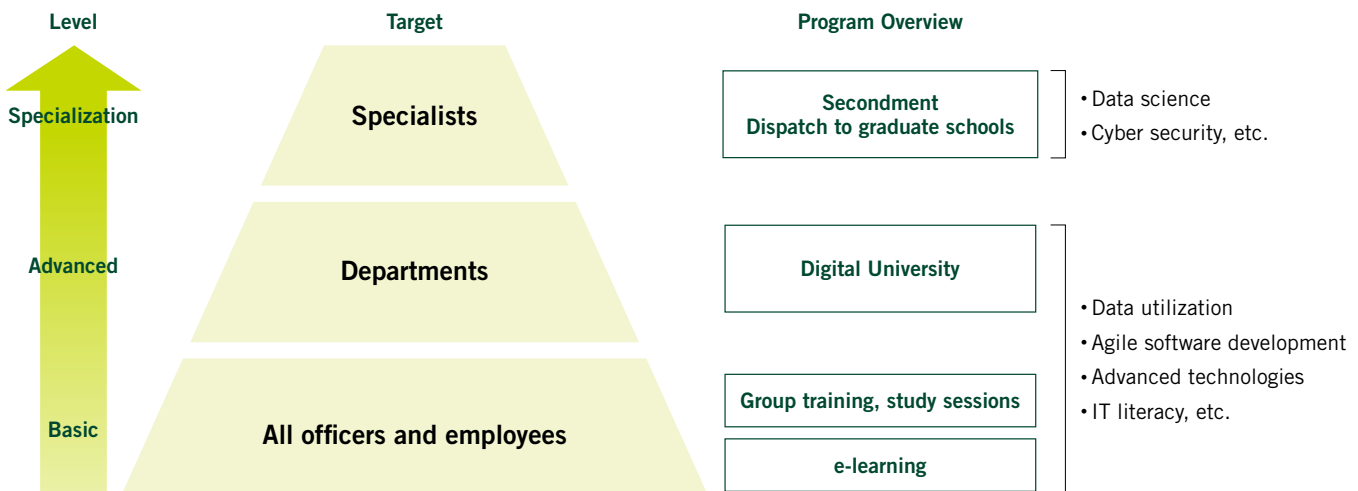
Developing, Retaining, and Recruiting Talent to Support the Group

Group-Wide Talent Development Initiatives

SMBC Group established the Learning and Development Institute to grow its group-wide talent development activities. Through joint training programs and seminars that are available to employees from Group companies, we are promoting cross-entity understanding among employees and fostering a sense of solidarity. Furthermore, we are promoting the development of future leaders of the Group via training and personnel rotations, as well as the establishment of open application platform to support self-driven career development on a group-wide basis.

In addition, we have established the “Digital University” as a talent development program designed in light of the trend toward digitalization. The courses available through this program are not limited to those for bolstering conventional system planning and development capabilities and increasing the IT literacy of all employees; but, moreover, we are expanding our courses which enhance planning and development capabilities by utilizing digital technologies. Furthermore, in view of developing talent required in highly specialized fields, we continue to send our employees to domestic or overseas graduate schools.

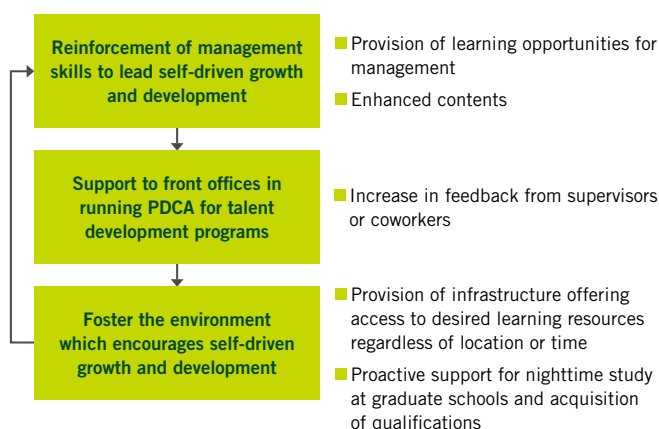
Digitalization-Related Talent Development Programs



■ Talent Development to Cope with the Changing Business Environment

SMBC is planning to establish a model to encourage “business-oriented, self-controlled development, in response to the changes in the current operating environment. In the highly volatile environment, there is a growing importance for all employees to be motivated to pursue their own growth and to continue learning through autonomous target setting. To accommodate this, we will develop an environment to support those employees who proactively pursue their own targets, regardless of their seniorities.

In addition, we will enhance self-driven career development by reflecting employees’ proactive skill development efforts and results to personnel transfers, such as promotion of junior employees to management.



■ Development of Talent on a Global Basis

SMBC Group conducts operations in 40 countries around the world and we are working together to realize identification, development, and promotion of our talent on a global basis. We aim to promote our Group business by realizing optimal talent management, regardless of location of hire.

For talent development, we provide global training programs involving participants from offices around the globe. To date, around 1,300 employees have participated at these global programs, including a leadership program delivered in partnership with a world-leading business school and joint training programs targeted for junior to middle-class employees from Japan and overseas offices.

In addition, we promote cross-border secondment of employees for both business promotion and training purposes. We aim to provide services of greater value to our customers by creating an environment where employees with different backgrounds work together and inspire each other.



Participants in a global training program (Global Management Program)

■ Optimal Allocation of Human Resources to Support Business Strategies

■ Strategic Allocation of Human Resources

SMBC Group is strengthening capabilities in prioritized areas by reallocating existing human resources as well as by increasing its new hires.

Furthermore, we are actively promoting cross-entity transfers with a view to securing and developing the talent to manage the Group or to aggressively advance business strategies in the medium to long term.

■ Optimization of Human Resources Allocation

SMBC Group is developing frameworks for gathering human resources-related data, such as employee numbers, personnel expenses, and other information for Group companies. In addition, the Group is developing frameworks to realize optimal allocation of human resources by refining its training programs and establishing cross-entity transfer processes.

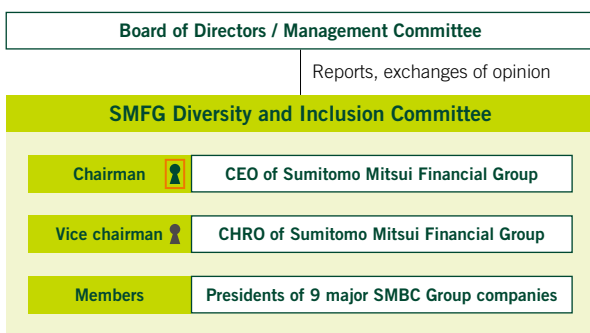
Creating an Environment to Encourage Diverse Workforce

Diversity Promotion Framework and Basic Policies

SMBC Group is promoting “Diversity and Inclusion” as it constitutes a growth strategy itself.

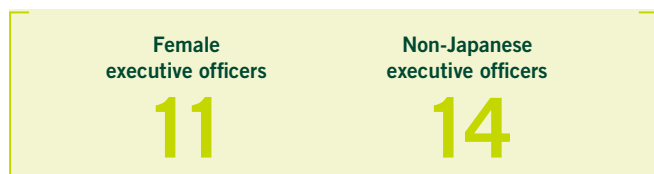
To accelerate diversity and inclusion initiatives on a group-wide basis, SMBC Group established the SMFG Diversity and Inclusion Department as a dedicated diversity promotion organization in 2017. We also hold the SMFG Diversity and Inclusion Committees, chaired by the Group CEO and comprises of the leaders of Group companies.

Diversity Promotion Framework



Promotion of Diversity in Management

SMBC Group is increasing the diversity of our management, including directors and executive officers, in order to create an organization capable of transforming diversity into competitiveness. We are also promoting correct understanding regarding diversity and inclusion and workstyle reforms while encouraging changes in awareness and behavior. For example, training programs designed to help individuals realize and address their own unconscious biases are being introduced at Group companies.



Support for Balancing Careers with Childcare or Nursing Care

SMBC Group strives to ensure that no employee finds themselves wrought with concern over their ability to balance their career with their private life and that all ambitious employees are able to continue working without sacrificing their desired career. To this end, we are expanding our support systems for balancing careers with childcare or nursing care and cultivating a forward-looking corporate culture that is understanding and supportive toward employees seeking to balance their work life with their private life.

SMBC is targeting a 100% acquisition rate for short-term paid childcare leave, which can be acquired flexibly in one-day increments. This company also holds seminars for supporting employees working to balance their career with childcare. Both parents are encouraged to participate in these seminars as part of SMBC’s efforts to foster a workplace environment in which it is natural for men to play a role in childcare.

“Platinum Kurumin” Certification Received from the Ministry of Health, Labour and Welfare



Sumitomo Mitsui Banking Corporation



Sumitomo Mitsui Card Company



Japan Research Institute

Empowerment of Female Employees

Targets have been set for the promotion of female employees to management positions and initiatives are being advanced with the goal of accomplishing these targets, in order to support the career development of female employees and accelerate the diversification of management.

We also have in place a leadership program for cultivating future management candidates aimed at mid-level female employees in core positions. This program comprises business skills training as well as discussions with management for cultivating the big picture perspective expected of a leader.

This stance toward proactively supporting female employees and the results achieved thereby have led to SMBC Group being included in the Nadeshiko Brand selection for an industry-topping four times. Among other high evaluations by external organizations was our inclusion in the 2019 Bloomberg Gender-Equality Index sponsored by Bloomberg L.P. of the United States.

■ Initiatives in Support of Sexual Minorities Such as LGBT, etc.

SMBC Group has established a range of human resource and employee welfare systems related to same-sex partners and is supporting TOKYO RAINBOW PRIDE, one of Japan's largest LGBT pride events, and sending employee volunteers from Group companies to participate in this event in order to foster awareness regarding the LGBT community.



Acquired Top Gold Rating in PRIDE index evaluation for LGBT-related initiatives from work with Pride for second consecutive year (Sumitomo Mitsui Banking Corporation)

■ Employment of Differently Abled Individuals

Both SMBC subsidiary SMBC Green Service Co., Ltd., and SMBC Nikko Securities subsidiary Nikko MiRun are specially certified subsidiaries as defined under the Act on Employment Promotion of Persons with Disabilities. Together with these companies, we promote employment of and provide employment support for differently abled individuals. Furthermore, we aid all employees in exercising their unique skills and aptitudes.

In addition, we employ numerous leading differently abled athletes who take part in competitions in Japan and overseas to foster understanding with regard to differently abled individuals.



SMBC Green Service

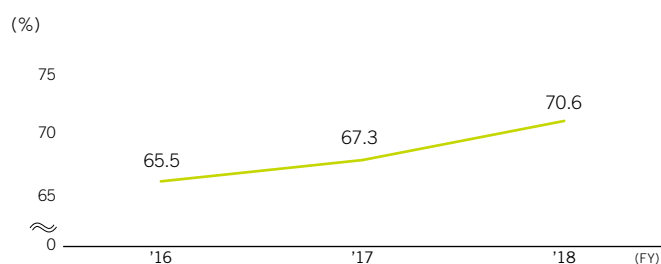
■ Health and Productivity Management

SMBC Group promotes health and productivity initiatives by implementing stress checks for all employees, establishing consultation venues regarding mental health, and holding health improvement events. In addition, SMBC Nikko Securities has formulated its Declaration of Health and Productivity Management and, under the guidance of its Chief Health Officer, established a dedicated Health and Productivity Management Office to spearhead efforts to strengthen systems for helping employees and their families maintain and improve their health.

■ Workstyle Reforms

We are implementing workstyle reforms to create a work environment in which every employee is able to feel motivated in their work, fully exercising their skills while realizing high levels of productivity. Group companies are endeavoring to prevent excessive working hours by defining key performance indicators for working hours and paid leave acquisition rates and employing robotic process automation to improve work efficiency. In addition, frameworks are being put in place to allow employees more freedom in choosing the times when and locations at which they work. Examples of these frameworks include flextime, staggered working hours, and teleworking systems.

Paid Leave Acquisition Rate at SMBC Group



At SMBC, employees are provided access to satellite offices to be used to reduce commuting times or to enable sales representatives to utilize the time between appointments more efficiently. In addition to six locations at its branches (as of June 30, 2019, to be increased going forward), employees can choose from any of roughly 50 satellite offices operated by third parties.

Furthermore, SMBC Group is promoting increased flexibility and diversity in workstyle through educational programs for management as well as study sessions and a smart work card system for employees.



Smart work cards used at SMBC