

# Aiming to Make the Leap to Asset Management Solutions Provider



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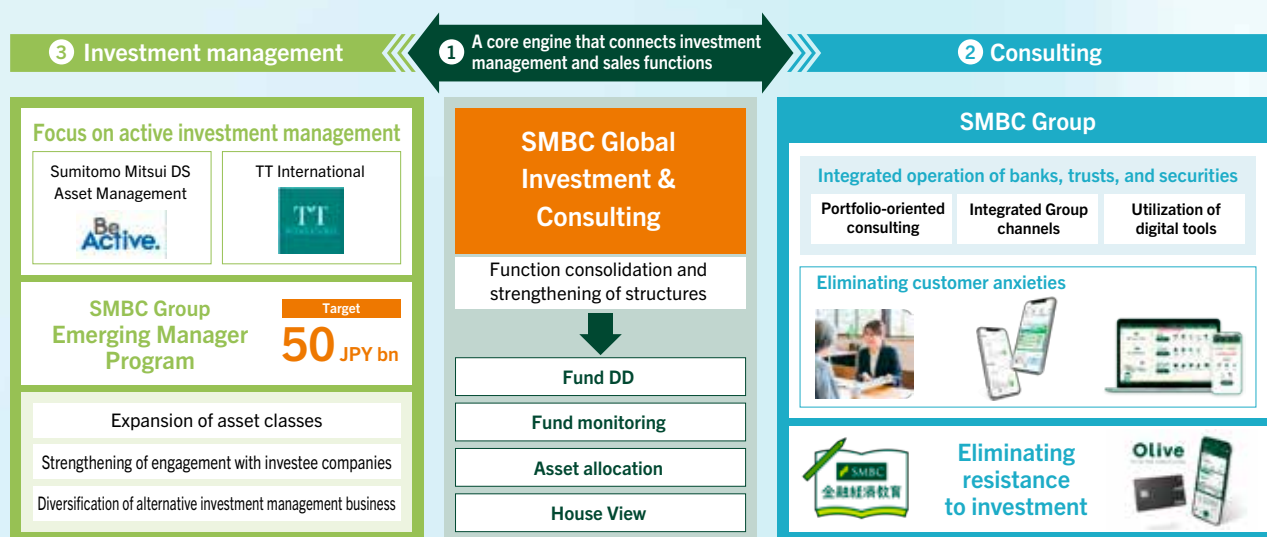
The “Policy Plan for Promoting Japan as a Leading Asset Management Center” was announced by the Japanese Government as an economic policy to strongly push asset formation. In response to this policy and other factors, the field of asset management is entering a period of full-scale transformation, and the flows of money into investment, particularly from retail investors, have increased significantly.

SMBC Group has long been working to help customers create fulfilled lives through medium- to long-term asset formation, under our basic policies including “Create Social Value” and “Pursue Economic Value” in our Medium-Term Management Plan.

In asset management, factors including investment objectives, acceptable degrees of risk, and assumed periods of investment vary from customer to customer, and a certain product can be considered either a benefit or a risk, depending on the person. For this reason, SMBC Group’s most important guiding principle is our fiduciary duty to act in our customers’ interests first.

Accordingly, we have set the goal of becoming Japan’s No. 1 asset management solutions provider, bringing together the collective power of SMBC Group to provide optimal plans while aligning ourselves with the diverse needs of our customers. By doing so, we aim to grow together with our customers.

As we continue to provide outstanding wealth management products, we are more committed than ever to proposing optimal plans for each and every customer by strictly and continuously assessing the quality of the wealth management products handled by the Group and by strengthening our system for providing information and advice that contributes to asset formation.



## ① Development of an asset management solutions-oriented proposal system

On September 29, 2023, SMBC Group reorganized Nikko Global Wrap, which has considerable expertise in fund selection, analysis, and evaluation, and placed it directly under the Sumitomo Mitsui Financial Group to provide more impartial, high-value-added asset management services.

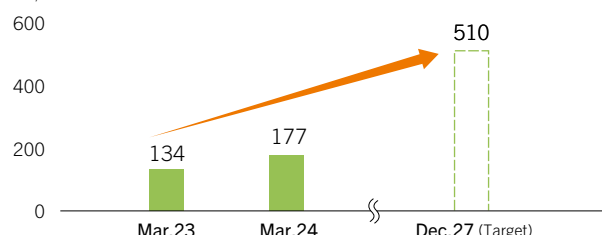
We plan to change the name of Nikko Global Wrap to “SMBC Global Investment & Consulting” on October 1, 2024, and position this as the Group’s core engine engaged in the asset management business. Through this new brand, we plan to offer services from a neutral standpoint including (1) evaluation and monitoring of funds adopted by the Group, (2) allocation of assets in fund wraps, and (3) provision of macroeconomic and market outlooks. The new brand will also be entrusted with the role of (4) acting as a “command tower” that actively engages in advice and quality control for companies in the Group.

## ② Eliminating resistance to investment and promoting continuous asset formation

At present, we have positioned our response to the new NISA scheme as a priority measure for the Group. We will work to help customers understand the importance of medium-to long-term diversified investment through digital and face-to-face consulting centered on Olive, thereby contributing to the expansion of the asset formation base.

### Number of NISA Accounts\*1

(10,000 accounts)



\*1 Number of accounts at Sumitomo Mitsui Banking Corporation, SMBC Nikko Securities, and SBI Securities (mediation)

Through our face-to-face consulting, we will make further use of digital tools and a consulting process that covers assessment of customers’ situations, investment management proposals matched with their goals, and follow-up services. These will enable us to enhance the quality of our investment management proposals and support our customers as a helpful “running partner.”

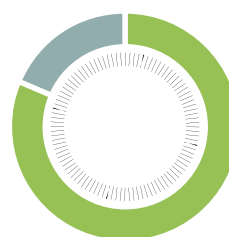
Through ongoing financial and economic education, we are also working to raise customer’s financial literacy and eliminate resistance to investing.

## ③ Accelerating the use of capabilities inside and outside the Group to further strengthen our investment management capabilities

Under the service brand “Be Active.”, Sumitomo Mitsui DS Asset Management strives to nurture professionals through various means including the adoption of an investment management professional job position program. Furthermore, by enlisting talented personnel from outside the Group, the company is building a team of professionals in active investment management.

SMBC Group will launch its version of the Emerging Manager Program (EMP) during FY2024, with plans to contribute a total of ¥50 billion in investment funds to train the next generation of motivated asset managers and to expand investment management strategies.

### Active-to-Passive Ratio in Sumitomo Mitsui DS Asset Management’s Investment Trusts\*2



Active funds	81.6%
Passive funds	18.4%

\*2 As of the end of December 2023